THE MYTH OF NATIONAL DEFENSE

ESSAYS ON THE THEORY AND HISTORY OF SECURITY PRODUCTION

EDITED BY HANS-HERMANN HOPPE

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Ludwig von Mises Institute
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Gustave de Molinari
(1819–1911)

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Hans-Hermann Hoppe
Las Vegas, Nevada
January 2003

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Introduction

In the American Declaration of Independence, Thomas Jefferson affirmed

> these truths to be self-evident: that all men are created equal; that they are endowed by their creator with inalienable rights; that among these are life, liberty, and the pursuit of happiness: that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or abolish it, and to institute new government, laying its foundation on such principles, and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness. Prudence indeed will dictate that governments long established should not be changed for light and transient causes; and accordingly all experience has shown that mankind are more disposed to suffer while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations pursuing invariably the same object, evinces a design to reduce them under absolute despotism, it is in their right, it is their duty to throw off such government, and to provide new guards for their future security.

More than 200 years after the Declaration of Independence, it seems appropriate to raise the question whether governments have in fact done what they were designed to do, or if experience or theory has provided us with grounds to consider other possibly more effective guards for our future security.

The present volume aims to provide an answer to this fundamental question.

In fact, this question has recently assumed new urgency through the events of September 11, 2001. Governments are supposed to protect us from terrorism. Yet what has been the U.S. government's role in the terrorist attacks on the World Trade Center and the Pentagon?

The U.S. government commands a "defense" budget of $400 billion per annum, a sum equal to the combined annual defense budgets of the next 24 biggest government spenders. It employs a worldwide network of spies and informants. However, it was unable to prevent commercial airliners from being hijacked and used as missiles against prominent civilian and military targets.

Worse, the U.S. government did not only fail to prevent the disaster of September 11, it actually contributed to the likelihood of such an event. In pursuing an interventionist foreign policy (taking the form of economic sanctions, troops stationed in more than 100 countries, relentless bombings, propping up despotic regimes, taking sides in irresolvable land and ethnic disputes, and otherwise attempting political and military management of whole areas of the globe), the government provided the very motivation for foreign terrorists and made the U.S. their prime target.

Moreover, how was it possible that men armed with no more than box cutters could inflict the terrible damage they did? Obviously, this was possible only because the government prohibited airlines and pilots from protecting their own property by force of arms, thus rendering every commercial airline vulnerable and unprotected against hijackers. A $50 pistol in the cockpit could have done what $400 billion in the hands of government were unable to do.

And what was the lesson drawn from such failures? In the aftermath of the events, the U.S. foreign policy became even more aggressively interventionist and threatening. The U.S. military overthrew the Afghani government that was said to be "harboring" the terrorist mastermind Osama bin Laden. In the course of this, thousands of innocent civilians were killed as "collateral damage," but bin Laden has not been captured or punished to this day, almost two years after the attacks. And once a U.S. approved government had been installed in Afghanistan, the U.S. government turned its attention to wars against other enemy states, in particular Iraq with its huge oil reserves. The U.S. refused even to rule out the employment of nuclear weapons against enemy regimes. No doubt, this policy helped to further increase the number of recruits into the ranks of people willing to use extreme violence against the U.S. as a means of retribution.

At the same time, domestically the government used the crisis which it had helped to provoke to further increase its own power at the expense of the people's liberty and property rights. Government spending, in particular on "defense," was vastly increased, and a new government department for "homeland security" was created. Airport security was taken over by the federal government and government bureaucrats, and decisive steps toward a complete electronic citizen surveillance were taken.

Truly, then, the current events cry out for a systematic rethinking of the issues of defense and security and the respective roles of government, the market, and society in providing them.

* * *

Two of the most widely accepted propositions among political economists and political philosophers are the following:

First: Every "monopoly" is "bad" from the viewpoint of consumers. Monopoly here is understood in its classical sense as an exclusive privilege granted to a single producer of a commodity

or service; i.e., as the absence of "free entry" into a particular line of production. In other words, only one agency, A, may produce a given good, *x*. Any such monopolist is "bad" for consumers because, shielded from potential new entrants into his area of production, the price of his product x will be higher and the quality of x lower than otherwise.

Second, the production of security must be undertaken by and is the primary function of government. Here, security is understood in the wide sense adopted in the Declaration of Independence: as the protection of life, property (liberty), and the pursuit of happiness from domestic violence (crime) as well as external (foreign) aggression (war). In accordance with generally accepted terminology, government is defined as a territorial monopoly of law and order (the ultimate decision maker and enforcer).

That both propositions are clearly incompatible has rarely caused concern among economists and philosophers, and in so far as it has, the typical reaction has been one of taking exception to the first proposition rather than the second.

The contributors to this volume challenge this "orthodox" view and offer both empirical and theoretical support to the contrary thesis: that it is the second proposition, not the first, which is false and ought to be rejected.

As far as empirical—historical—evidence is concerned, proponents of the orthodox view face obvious embarrassment. The recently ended twentieth century was characterized by a level of human rights violations unparalleled in all of human history. In his book *Death by Government*, Rudolph Rummel estimates some 170 million government-caused deaths in the twentieth century. The historical evidence appears to indicate that, rather than protecting life, liberty, and the pursuit of happiness of their citizens, governments must be considered the greatest threat to human security.

Proponents of the orthodox view (willing to compromise the first thesis regarding the "evil" of monopoly in order to maintain the second concerning the necessity of state government) cannot entirely ignore this seemingly overwhelming evidence

to the contrary. If they wish to rescue from refutation the thesis that government is indispensible for the provision of law and order, they must revise the second thesis. Experience shows that some states are aggressors, not protectors. Thus, if one is not to discard the second thesis altogether, its further specification is required: it is only possible to claim that some states protect.

Accordingly, rather than faulting government as such for the dismal security record in particular during the past century, several attempts have been made to explain this record as the result of specific forms of government. Numerous political scientists, including the aforementioned Rummel, have tried to show by various statistical means that it is the absence of democratic government which explains the "anomalies" of the twentieth century. Admittedly, democracies go to war against nondemocratic regimes, but supposedly not against other democracies. Hence, it would seem to follow—and this thesis has in the meantime become part of the American neoconservative folklore—that once the Wilsonian dream of "making the world safe for democracy" has been achieved, eternal peace and security will be accomplished.

In a similar vein, political economists such as James Buchanan and the school of "constitutional economics" have suggested that the admittedly miserable record of governments concerning the provision of internal and external security can be systematically improved by means of constitutional reforms aimed at the strict limitation of governmental powers.

Both these explanations are scrutinized and rejected in this volume. As for the thesis of the peaceful nature of democracy, several contributors note that, in accordance with military historians such as J.F.C. Fuller and M. Howard, it rests on a rather selective or even erroneous reading of the historical record. Let me mention only two such misreadings. First, how can this thesis account for a seemingly obvious counterexample such as the American War of Southern Independence (the War Between the States) with its until then unparalleled brutality? Answer: by excluding and ignoring it or downplaying its significance.

Second, proponents of the peaceful-democracy thesis typically support their claim by classifying traditional monarchies and modern dictatorships as autocratic and nondemocratic and contrasting both to what they classify as genuine "democracies." Yet historically (and if any grouping must be done at all), it is democracy and dictatorship that should be grouped together. Traditional monarchies only resemble dictatorships superficially. Instead, dictatorships are a regular outgrowth of mass democracy. Lenin, Stalin, Hitler, and Mao were distinctly democratic rulers as compared to the former Emperors of Russia, Germany, Austria, and China. Indeed, Lenin, Stalin, Hitler, and Mao (and almost all of their smaller and lesser known successors) were outspoken in their hatred of everything monarchic and aristocratic. They knew that they owed their rise to democratic mass politics, and they employed democratic politics (elections, referenda, mass rallies, mass media propaganda, etc.) throughout their reign.

On the other hand, as for the proposal of constitutional reforms aimed at limiting state power, several contributors to this volume explain that any such attempts must be considered futile and ineffective if and insofar as the interpretation and the enforcement of such limitations is left to government itself or to one of its organs, such as a governmental supreme court. (See more on this below.)

More convincing to the contributors of this volume appears a third thesis, advanced by the economist Ludwig von Mises, which may be considered a combination of the above. Mises asserts that in order to fulfill its primary function as a provider of security, a government must satisfy two conditions: it must be democratically organized, and it must permit unlimited secession in principle.

> [W]henever the inhabitants of a particular territory, whether it be a single village, a whole district, or a series of adjacent districts, make it known, by a freely conducted plebiscite, that they no longer wish to remain united to the state to which they belong at the time, their wishes are to be

> respected and complied with. This is the only feasible and effective way of preventing revolutions and international wars. (Ludwig von Mises, *Liberalism* [Irvington-on-Hudson, New York: Foundation for Economic Education, and San Francisco, Calif.: Cobden Press, 1985], p. 109)

One obvious attraction of this thesis is that it can account for the events of the American War of Southern Independence. Thus, until 1861, it was generally taken for granted in the U.S. that a right to secession existed, and that the Union was nothing but a voluntary association of independent states; but when the desire for the unrestricted right to secede was no longer respected, the state turned from protector to aggressor. Mises's thesis is accorded considerable attention in this volume, and the role of secession as a means for limiting or escaping government depredation is emphasized repeatedly.

However, in requiring a protective state to allow unlimited secession from its jurisdiction, Mises's explanation essentially renders the State a voluntary membership organization with taxes amounting to voluntarily paid (or withheld) membership dues. With an unlimited right to secession even at the level of individual households, the government is no longer a "State," but a club. Hence, strictly speaking, Mises's thesis must be considered a rejection of proposition two rather than merely its revision. The contributors to this volume concur with this judgment, not only for empirical reasons but even more so for theoretical ones.

Every attempt to explain the dismal performance of governments (States) qua providers of security as inherent in the nature of state-government must begin with a precise definition of state-government (the State). The definition of the State adopted throughout this volume is uncontroversial. It corresponds closely to that proposed by Thomas Hobbes and adopted to this day by countless political philosophers and economists.

Briefly, Hobbes argued that in the state of nature, men would constantly be at each others' throats. *Homo homini*

lupus est. Each individual, left to his own devices and provisions, would spend too little on his own defense. Hence, permanent interpersonal warfare would result. The solution to this presumably intolerable situation, according to Hobbes and his followers, is the institution of a State (government). In order to institute peaceful cooperation—security—among themselves, two individuals, A and B, require a third independent party, S, as ultimate judge and peacemaker. However, this third party, S, is not just another individual, and the good provided by S, that of security, is not just another "private" good. Rather, S is a sovereign and has as such two unique powers. On the one hand, S can insist that his subjects, A and B, not seek protection from anyone but him; that is, S is a compulsory territorial monopolist of protection and ultimate decision making (jurisdiction). On the other hand, S can determine unilaterally (without unanimous consent) how much A and B must spend on their own security; that is, S has the power to impose taxes in order to provide security "collectively."

Based on this definition of government as a compulsory territorial monopolist of protection and jurisdiction equipped with the power to tax without unanimous consent, the contributors to this volume argue that, regardless of whether such a government is a monarchy, a democracy, or a dictatorship, any notion of limiting its power and safeguarding individual life, liberty, and property must be deemed illusory. Under monopolistic auspices the price of justice and protection must rise and its quality must fall. A tax-funded protection agency, it is pointed out, is a contradiction in terms: it is an expropriating property protector and can only lead to ever more taxes and less protection. In fact, even if a state limited its activities exclusively to the protection of life, liberty, and property (as a protective state à la Jefferson would do), the further question of how much security to provide would arise. Motivated like everyone else by self-interest and the disutility of labor, but with the unique power to tax without consent, a government's answer will always be the same: to maximize expenditures on protection—and almost all of a nation's wealth can be consumed by the cost of

protection—and at the same time to minimize the production of protection.

Furthermore, a monopoly of jurisdiction must lead to a deterioration in the quality of justice and protection. If one can appeal only to the State for justice and protection, justice and protection will be distorted in favor of government—constitutions and supreme courts notwithstanding. After all, constitutions and supreme courts are state constitutions and courts, and whatever limitations to government action they might contain is determined by agents of the very same institution. Accordingly, the definitions of life, liberty, and property and their protection will continually be altered and the range of jurisdiction expanded to the state's advantage.

The first person to provide a systematic explanation for the apparent failure of governments as security producers along the above sketched lines was Gustave de Molinari (1818–1912), a prominent Belgian-born French economist, student of Jean-Baptiste Say, and teacher of Vilfredo Pareto, and for several decades the editor of the *Journal des Économistes*, the professional journal of the French Economic Association, *the Societé d'Économie Politique.* De Molinari's central argument was laid out in his article "De la Production de la Securité" of February 1849. The argument is worth quoting because of its theoretical rigor and its seemingly visionary foresight:

> If there is one well-established truth in political economy, it is this:
>
> That in all cases, for all commodities that serve to provide for the tangible or intangible needs of consumers, it is in the consumer's best interest that labor and trade remain free, because the freedom of labor and trade have as their necessary and permanent result the maximum reduction of price.
>
> And this: That the interests of the consumer of any commodity whatsoever should always prevail over the interests of the producer.

> Now in pursuing these principles, one arrives at this rigorous conclusion:
>
> That the production of security should, in the interests of the consumers of this intangible commodity, remain subject to the law of free competition.
>
> Whence it follows: That no government should have the right to prevent another government from going into competition with it, or require consumers of security to come exclusively to it for this commodity. . . .
>
> Either this is logically true, or else the principles on which economic science is based are invalid. (Gustave de Molinari, *Production of Security*, J.H. McCulloch, trans. [New York: Center for Libertarian Studies, 1977], pp. 3–4)

De Molinari then predicted what would happen if the production of security is monopolized:

> If, on the contrary, the consumer is not free to buy security wherever he pleases, you forthwith see open up a large profession dedicated to arbitrariness and bad management. Justice becomes slow and costly, the police vexatious, individual liberty is no longer respected, the price of security is abusively inflated and inequitably apportioned, according to the power and influence of this or that class of consumers. (Molinari, *Production of Security*, pp. 13–14)

Nearly all contributors to this volume pay explicit tribute to Molinari's pathbreaking theoretical insight. Hence, the present volume is dedicated to the memory of Gustave de Molinari.

If Molinari's explanation of the dismal performance of government as security provider by the nature of government qua compulsory territorial monopolist of law and order is accepted,

however, then the question of alternatives arises. Accordingly, the bulk of this volume consists of contributions to this quest for private and voluntary (market-produced) alternatives to the failed and fundamentally flawed system of state-protection. How could and would an alternative system of freely competing security producers work? Based on historical experience and economic logic, how effective are private alternatives such as mercenaries, guerrillas, militias, partisans, and privateers? What are the consequences of the free proliferation of weapons, in particular of nuclear arms? What is the role of ideology and public opinion in defense and war? What type of good is defense, a "private" or a "public" good? Can protective defense be provided by freely competing and financed insurance agencies? How would the "logic" of competitive insurance-protection differ from that of monopolistic state-protection? How can the transition from a system of monopolistic to competitive security production be achieved? What is the role of secession in this process? How can state-free societies—natural orders—possibly defend themselves against state attacks and invasions? These are the central questions addressed and answered in the present volume by an international assembly of contributors from philosophy, economics, history, sociology, and political science.

* * *

The contributions to Section One on state-making and war-making set the stage historically and conceptually.

Marco Bassani and Carlo Lottieri locate the topic and theme of the volume in history and the history of political thought. They emphasize the historical modernity of the institution of a State—States have not always existed—and direct particular attention to medieval (feudal) Europe as an example of a "Society without State," from which valuable insights regarding the present and its possible paths of transformation can be gained. They explain the ideological revolution, associated with such names as Machiavelli, Bodin, Hobbes, and Rousseau, that

supported and led up to the rise of the State. They review the rise of a liberal-libertarian ideological opposition to Statism, associated in particular with the names of Molinari (in the nineteenth century) and Rothbard (in the twentieth). They note the importance of European "realism," i.e., the "elitist" social theorists such as G. Mosca, V. Pareto, and R. Michels in Italy and Carl Schmitt in Germany, for a correct understanding of the "non-neutral" nature of the State and sovereignty. And they explore the prospects for liberty and protection in the current world torn between a tendency toward political centralization (a One World Order) and an opposite tendency toward decentralization and secession.

Murray N. Rothbard (1926–1995), the author of the second contribution to Section One, is the most important twentieth-century disciple of Molinari. In synthesizing Molinari's monopoly (or rather antimonopoly) theory with Ludwig von Mises's neo-Austrian system of free-market economics (praxeology) and natural-law ethics, Rothbard created a grand new anti-Statist theoretical system, of Austro-Libertarianism. As they were by Molinari, most contributors to this volume have been profoundly influenced by Rothbard and his system.

In his contribution to this volume, published originally in 1963 and reprinted here with the permission of the Ludwig von Mises Institute, Rothbard introduces the conceptual and terminological distinctions fundamental to all of the following. He clarifies the meaning of property, aggression, crime, self-defense, punishment, State, peace, war ("just" and "unjust"), revolution, imperialism, neutrality, and isolationism, and he explains the inherently aggressive nature of the State, i.e., the indissoluble link between War-Making and State-Making.

The contributions to Section Two focus on the subject of government forms, war, and strategy.

Erik von Kuehnelt-Leddihn (1909–1999), in the last article completed before his death, presents a sweeping portrait of European history and the role of monarchy and Christian kings. In the European-Christian worldview, the king was seen as part of a natural, quasi-familial hierarchical or "vertical" social order:

of "God the Father in Heaven, the Holy Father in Rome, the King as the Father of the Fatherland, and the Father as the King in the Family." He describes the gradual deconstruction of this vertical worldview and its displacement, beginning with the French Revolution and completed with World War I and II, by a "new" egalitarian or "horizontal" outlook incompatible with monarchy and kings. He identifies democracy (majority rule), socialism (international and national), and popular dictatorship as expressions of this new horizontal worldview. Furthermore, he provides ample historical illustration of how the transformation from monarchy to democracy changed the conduct of war from limited warfare to total war.

Gerard Radnitzky, in his wide-ranging essay, bolsters Kuehnelt-Leddihn's case against democracy. Following Anthony de Jasay, Radnitzky begins with a detailed analysis of the economics and politics of majoritarian democracy and refutes as illusory and impossible the claims of constitutional economists such as James Buchanan. A discussion of the thesis "democracies are more peaceful" occupies the center of his chapter. Based on analytical considerations and detailed historical evidence, Radnitzky rejects the thesis. Further, he identifies the thesis "that democracies do not make war with each other" as "a cornerstone of the New World Order crowd" and U.S. imperialism and hegemony. He concludes with a few game-theoretical considerations regarding the possibility of private defense coalitions and some remarks on the likelihood of the decline and demise of the State.

Bertrand Lemennicier provides an economic-conceptual and formalistic, game-theoretical explanation of the effects and prospects of government policies and treaties concerning the nonproliferation of nuclear weapons. In accordance with standard economic cartel theory, Lemennicier argues that any such agreements are bound to fail due to external and internal pressure. The cartel members cannot lastingly prevent nonmember countries from developing nuclear weapons independently. And within the cartel, each member has a constant incentive to cheat (and sell). Moreover, Lemennicier argues that even if a

cartel agreement could be maintained and enforced, this would still be a "bad" idea. The world is made less safe rather than more so when a single country dominates in nuclear possession and enforcement. "The U.S. retains a monopoly on nuclear dissuasion and plays the part of world enforcer, excluding international exchanges for countries seeking nuclear weapons," writes Lemennicier. "Such a position is costly, and the U.S. has no legitimate claim to such a role."

The contributions to Section Three review the historical record of private alternatives to State defense and warfare.

Joseph Stromberg considers the example of professional "standing armies" commanded by aristocratic officers. He looks at the experience with mercenary armies in Renaissance Italy. He discusses the role of a militia in republican theory and practice from ancient Greece and Rome to the United States and Switzerland. Special attention is given to guerrilla warfare. Its essentially defensive nature is explained, and its role in the American Revolution, in the War for Southern Independence, and in the Second Anglo-Boer War is discussed. Based on this evidence, Stromberg suggests as a solution to the problem of defensive protection some combination of voluntary militias (inspired if possible by a unifying ideology or faith) and modern mercenaries (in the form of professional insurance-protection companies), both steeped in the theory and practice of guerrilla warfare.

Larry Sechrest opens his contribution with a brief discussion of the nature of the "good" of defense and argues that defense is a distinctly "private" good (while "national defense" is an "imaginary" good). He then applies these theoretical considerations to the subject of naval warfare. In particular, he provides a detailed survey of "privateering" as a form of naval warfare conducted by privately owned ships from the twelfth to the nineteenth centuries. Sechrest explains how privateers operated, the legal customs that grew up around them, and how remarkably effective and profitable they were. Finally, as to why the practice of privateering declined after the nineteenth century, Sechrest argues that this has no technological reasons. To

the contrary, privateering died out because it was "too" effective and threatened the jobs of the regular State-navies.

Jeffrey Rogers Hummel begins with a discussion of the anthropological preconditions of State formation and the reasons for the historical triumph of States over Stateless societies. He explores the reasons—population size, geography, political decentralization, wealth and technology—for the success of some States and world regions and the failure of others. In particular, Hummel investigates and emphasizes the importance of ideas and ideological convictions, of motivation and morale, in war and defense. Finally, he ponders the ideological requirements of liberating oneself of the "macroparasitism" of one's own State and the prospects of defending a free territory against the potential aggression of another, foreign State. Hummel expresses considerable optimism regarding the effectiveness of such a defense—because free societies will be wealthier and technologically more advanced than statist societies—but cautions that the maintenance of a free society (rather than a regression to Statism) requires eternal ideological vigilance on the part of the public.

The final section, Section Four, is dedicated to the theory of private security production and its various practical applications.

In his contribution, Walter Block argues that to claim "that a tax collecting government can legitimately protect its citizens against aggression is to contradict oneself, since such an entity starts off the entire process by doing the very opposite of protecting those under its control." In support of this claim, Block reviews, analyzes, and refutes the entire panoply of statist arguments: the "prisoner's dilemma," the "free rider," the "externality," and the "public goods" thesis in favor of "national defense." Defense, Block explains, is defense of private property and as "private" as private property. Last, he discusses the thesis, popular especially in "public choice" and "constitutional economics" circles, that States are forms of clubs (and clubs forms of States), and he concurs with Joseph Schumpeter's

verdict that this thesis "only proves how far removed this part of the social sciences is from scientific habits of mind."

In my own contribution to this volume, I open with a reconstruction the Hobbesian myth of "collective security" and its empirical and logical refutation. He then proceeds to a detailed analysis of risk, property, and insurance. He comments on the "arbitrariness" of "national" borders, and hence of "national" defense (in contrast to the "natural" borders of private property and the defense of such borders). He provides a comparative analysis of insurance-protection versus State-protection and contrasts the logic of State-warfare to that of freely financed protection agencies. Finally, Hoppe points out that insurance agencies, in contrast to States, will not disarm those they protect, and he addresses the question of how a free and armed society in conjunction with professional protection-insurance agencies would likely go about defending itself against State aggression.

Guido Hülsmann, in the final contribution to this volume, deals with secession as a means of establishing a private-property order and assuring effective protection. He discusses the nature of secession and its comparative advantages as compared to other forms of political reform. After examining the conditions that must be met for secession to be successful, Hülsmann turns to a key problem of secessionist movements: defense against the government from which they are seceding. He argues that secessionist defense organizations must themselves be run on the basis of private-property principles to ensure that the political goal of libertarian secession be reached and that its military effectiveness be as high as possible.

Though the implications of the arguments made in this volume are radical and sweeping, the principles are quite simple at root. In economics, the contributors seek the consistent application of market theory, not its arbitrary exclusion from whole areas of life, such that it applies also to the delivery of goods and services associated with security and defense. In politics, the contributors seek only the application of the principle Jefferson presented in his Declaration of Independence, that

people have the right and duty to throw off governments that are not effecting their safety and find alternatives that provide guards for future security. In both respects, these ideas represent a relatively unexplored application of traditional liberal theory. And yet, given the continued rise of the national-security state in our own time, the future of liberty itself may hinge on our willingness to push these principles to their fullest extent.

Hans-Hermann Hoppe

Section One

State-Making and War-Making

1

The Problem of Security: Historicity of the State and "European Realism"

Luigi Marco Bassani and Carlo Lottieri

> [The State] forbids private murder, but itself organizes murder on a colossal scale. It punishes private theft, but itself lays unscrupulous hands on anything it wants, whether the property of citizen or alien.[1]
>
> —*Albert Jay Nock, 1928,* On Doing the Right Thing

Libertarianism and the State: A Critical Assessment

Libertarianism has proved to be a force in almost every field of contemporary social debate. The doyens of social science can no longer dismiss the arguments produced by the leading scholars—dead and alive—of this intellectual tradition. Much of what is being discussed in this volume, being a specific libertarian contribution to the problem of "security," is part of a broader dispute on crime, punishment, and the State that belongs also to orthodox (i.e., statist) social science.

However, certain tenets of libertarianism—which, after all, is also a moral doctrine—render the handling of such issues very different from what is common in mainstream social analysis. While the latter does not question the idea that the State must be the sole supplier of law and order, libertarians take quite the opposite road, as they are ready to explore any

alternative to coercion and monopoly in the production of security.

Central to the libertarian framework, in fact, are the concepts of the "State" and the "free market" as two opposite poles of human experience. Rothbard nicely states this position in *Power and Market*: "On the market . . . there can be no such thing as *exploitation.* But . . . a conflict of interest [arises] . . . whenever the State or any other agency intervenes. . . . On the market all is harmony."[1]

The market is the subject of thousands of publications of libertarian inclination—with Austrian economics as one of the most important traditions—and our understanding of free markets, competition, and their benefits to society and individuals has been increasing enormously, but when it comes to the other pole of the dichotomy, the State, libertarians seem to be less sophisticated.

It is our contention that one of the greatest mistakes of many libertarians has been to follow a simplistic scheme of power: to call "State" every form of political aggregation and to believe in the perennial nature of this human artifact. Commenting on a much-welcomed book dealing specifically with the modernity of the State, David Gordon, the semiofficial reviewer of the libertarian community, notices: "By 'state,' our author means something more limited than do contemporary libertarians (and Max Weber)."[2] This general lack of perception of the State as a historically shaped institution is understandable in light of the fact that contemporary libertarianism has developed mostly in America, a country plagued only recently and often inadvertently by statehood.

Some views on the origins of the State, however, are bound to backfire against the general theory of libertarianism. If the

[1]Murray N. Rothbard, *Power and Market* (Kansas City: Sheed Andrews and McMeel, 1977), p. 14.

[2]David Gordon, "Deliverance," review of Martin van Creveld, *The Rise and Decline of the State* (Cambridge, U.K.: University Press, 1999), *Mises Review* 6, no. 2 (Summer 2000): 1.

State is nothing else than "political power," if it has accompanied human communities since the beginning of history, how are we going to see the end of such a massive coercive apparatus? In other words, if the State is inherently part of the human experience, why should a defender of freedom bother to become libertarian? Ultimately, if the State is as old as mankind, then libertarianism is just another form of utopia, though of no criminal nature.

One of the central axioms of libertarianism is the idea that the same morality applies to every person, whether acting on behalf of a public apparatus or in his individual capacity. Society and individuals must be judged as a whole: if something is morally unacceptable, it should be so for everybody. In *Human Action*, Mises affirms that the most weighty revolt against reason can be found in the idea that "there is no such thing as a universally valid logic."[3] Mises calls this *polylogism*: "Marxian polylogism asserts that the logical structure of mind is different with the members of various social classes. Racial polylogism differs from Marxian polylogism only insofar as it ascribes to each race a peculiar logical structure of mind."[4] The rise of the State brought about a different kind of polylogism, whose paramount importance for the general theory escapes no one: the division between the *mass* of subjects and the *elite* of political rulers.

We can distinguish between three different concepts: *politics, coercion, and State.* Not all politics are coercive, and not all coercive political orders can be called "States." Libertarian theory is destructive, not of politics *qua* politics, but of certain peculiar orders based on a monopoly of violence (or of "legitimate" force). The most relevant example of the latter is the political order that won preeminence in Europe during modern times, the one that we call the State. In fact, the moral separation between the rulers and the subjects is a by-product of the

[3]Ludwig von Mises, *Human Action: A Treatise on Economics* (Auburn, Ala.: Ludwig von Mises Institute, 1998), p. 74.

[4]Ibid., p. 75.

rise of modern politics, that is, the State. During modern times, the State has emerged because of many diverse and unique historical circumstances, but one single "moral" doctrine has been crucial for its materialization. It is the belief according to which the ruling class is legitimized to act by any means necessary, while the people at large are bound by a set of laws created by the rulers (as well as commonsense morality).

The State is indeed a very "peculiar institution," having a uniqueness that must be appreciated from the historical point of view. It was in fact only during the rise of the State that the previously unheard-of idea of "*raison d'etat*" gained ground, both intellectually and practically. Although quite correctly the name of Niccolò Machiavelli is to be associated with such a break between politics and morality, the Florentine was only the first of several political theorists who worked to furnish the ruling class its morally invulnerable position. In particular, Giovanni Botero, in his 1589 book *La Ragion di Stato,* was the first to openly argue that, for the safety of the State, men may legitimately perform actions that would be considered crimes were they committed with other purposes or by people not empowered by such a noble institution.

During previous times, however brutal they may have been, the viciousness of a double morality—one limited to those acting in the name of the State and the other suitable for the general public—simply did not exist. For libertarians not to grasp this historical fact would be a mistake of great import. In fact, since the birthmark of modern politics (political modernity being synonymous with the State) is the double standard libertarians so explicitly fight against, they would be missing a chance to give a sound historical foundation to their own theory.

What gives libertarianism a great intellectual appeal, as well as a watertight foundation, is the very *historicity* of the State. It is useful to borrow the words of a historian, certainly not a libertarian, to grasp immediately the consequences of a clear, precise, and scientific perception of the State:

> The State is not an eternal and unchanging element in human affairs. For most of its history,

> humanity got by (whether more happily or not) without a State. For all its universality in our times, the State is a *contingent* (and comparatively recent) historical development. Its predominance may also prove to be quite *transitory*. Once we have recognized that there were societies *before* the State, we may also want to consider the possibility that there could be societies *after* the State.[5]

The fortune of Marxism as an intellectual force relied heavily on the fact that the socialists rarely advanced a model society. Karl Marx devoted a mere fraction of his intellectual productivity to fantasizing about the "socialist ideal society," and his followers focused rather on a never-ending critique of "capitalism."[6] In contrast, libertarians have concentrated much of their efforts toward envisioning a future society based on nonaggression, voluntary relations, property rights, and free-market exchanges, sometimes at the expense of reflections on strategy (how to get from here to there). As for the libertarian critique of existing restrictions on the free markets, we may rely on Austrian economics, or other traditions, depending on one's tastes. But when it comes to the evaluation of the State, one has to rely on the past. It is, in fact, in the medieval political and juridical order that existed in Europe prior to the rise of the State that one could find suggestions for a libertarian future.

Before we briefly explain what we consider to be the sound interpretation of the origins of the State—the key to a realistic treatment of the problem of security—let us briefly review the all-too-fashionable schools that still command respect from academic quarters. In particular, two related approaches are

[5]Christopher Pierson, *The Modern State* (London and New York: Routledge, 1996), p. 35.

[6]Rothbard wrote that "the Marxists have spent an enormous amount of their time and energy grappling with problems of strategy and tactics, much more so than have laissez-faire thinkers." Murray N. Rothbard, "Concepts of the Role of Intellectuals in Social Change Toward Laissez Faire," *Journal of Libertarian Studies* 9, no. 2 (Fall 1990): 43.

unsatisfactory: the sociological and the anthropological views of the genesis of the State.

One should be very suspicious of anthropological studies of the birth of the State for various reasons. First, because although non-European cultures deserve all the scholarly attention they may get (at least as an antidote for many centuries of racism) anthropologists have a tendency to fall in love with the cultures they study and to make too much of them. We owe respect to every human being and his or her heritage. However, statements like the following—typical of a certain stream of cultural relativism—are quite unwarranted: "When one is reading descriptions of those who lived in ancient Buganda or ancient Polynesia, images of the Italian Renaissance or Athens in the fifth century B.C. come to mind."[7]

But this could be considered a venial sin in light of what the anthropological school has to say about the hard issues. To Eli Sagan, "the state may be defined as that form of society in which nonkinship forms of social cohesion are as important as kinship forms."[8] In fact, "state building was the process of kingship triumphing over kinship."[9] While it seems difficult to grasp the different stages of institutional development from this vantage point, the complete absence of historical perception underlining such a postulate must be noted. It may be true that tribal and blood relations must be overcome in order to approach an institutionalized system of command. This simple truth, however, is unable to account for the complexity of modern juridical organizations.

[7]Eli Sagan, *At the Dawn of Tyranny: The Origins of Individualism, Political Oppression and the State* (New York: Vintage Books, 1985), p. xxi. It definitely shows that the author is studying his group from a quite Euro-centric perspective. On the one hand, these exotic cultures and their achievements are "measured" against standards that are simply impossible to match; on the other, their histories should teach the heirs of Athens, Florence, and hundreds of other centers of Western civilization something about their own history.

[8]Ibid., p. xx.

[9]Ibid., p. 261.

Moreover, the timeless nature of the anthropological analysis could be helpful to comprehend some perennial features of human societies, but it proves futile when applied to transient, peculiarly European institutional realities such as the State. One of the pioneers of this tradition, James George Frazer, asserted:

> The continuity of human development has been such that most, if not all, of the great institutions which still form the framework of civilized Society have their roots in savagery, and have been handed down to us in these later days through countless generations, assuming new outward forms in the process of transmission, but remaining in their inmost core substantially unchanged.[10]

Although rarely given full credit, the whole construction of the anthropological school follows the same line of reasoning drawn by Ludwig Gumplowicz and Max Weber a century ago.

Gumplowicz was one of the leading exponents of the sociological tradition. He gave the following account of the origins of the State:

> The state is a social phenomenon consisting of social elements behaving according to social laws. The first step is the subjection of one social group by another and the establishment of sovereignty; and the sovereign body is always the less numerous. But numerical inferiority is supplemented by mental superiority and greater military discipline.[11]

One element of this definition, the anchorage to European realism (the idea that the disorganized mass will always be ruled

[10]James G. Frazer, *The Early History of Kingship*, quoted in Bertrand de Jouvenel, *On Power: The Natural History of Its Growth* (Indianapolis, Ind.: Liberty Fund, 1993), p. 71.

[11]Ludwig Gumplowicz, *European Sociology: The Outlines of Sociology* (Philadelphia: American Academy of Political and Social Science, 1899), p. 116.

by an organized elite), is still persuasive, but his portrayal of the human condition appears simplistic, ignoring largely the complexity of different institutional orders and political cultures. It seems to entail the existence of a process of subjugation going on since the beginnings of time. Let us notice, however, that Gumplowicz employs the word "sovereignty," invented by Jean Bodin in 1576. The sociologists spoke of organizations, power politics, domination, and so on, but they actually had in mind the State, i.e., political modernity. Instead of projecting a semi-barbaric and timeless condition on Western institutions (as the anthropologists do), the sociologists cast the State image on the hordes and tribes of all continents.

This is also the most important ambiguity of Max Weber. On one side, he is one of the authors who characterizes the State model in a totally unhistorical fashion; at the same time, however, he appears to be very much aware of the specifically modern character of State institutions. For Weber,

> the basic functions of the "state" are: the enactment of law (legislative function); the protection of personal safety and public order (police); the protection of vested rights (administration of justice); the cultivation of hygienic, educational, social-welfare, and other cultural interests (the various branches of administration); and, last but not least, the organized armed protection against outside attack (military administration). These basic functions are either totally lacking under primitive conditions, or they lack any form of rational order. They are performed, instead, by amorphous *ad hoc* groups, or they are distributed among a variety of groups such as the household, the kinship group, the neighborhood association, the rural commune, and completely voluntary associations formed for some specific purpose.[12]

[12]Max Weber, *Economy and Society*, Guenther Roth and Claus Wittich, eds. (New York: Bedminster Press, 1968), vol. 2, p. 905.

Weber tries to characterize the universal features of the State, but it becomes palpable that only some specific institutions can be traced back to such a political order, and that the family, the parental group, the union of the neighbors, the rural commune, and the like are *not* among such institutions.

It is true that Weber tries to connect State and coercion (we hold that every State involves coercion, but not every kind of coercion makes a State). However, Weber seems to be well aware of the genuinely modern nature of the State when he tries to depict its emergence:

> The spread of pacification and the expansion of the market thus constitute a development which is accompanied, along parallel lines, by (1) that monopolization of legitimate violence by the political organization which finds its culmination in the modern concept of the *state* as the ultimate source of every kind of legitimacy of the use of physical force; and (2) that rationalization of the rules of its application which has come to culminate in the concept of the legitimate legal order.[13]

The book on the State that has probably had the most lasting impact on libertarians is Oppenheimer's. Albert J. Nock and Murray Rothbard, arguably the most important libertarian thinkers of the last century, have taken directly from the German sociologist the famous dichotomy between economic means and political means.

Libertarians are usually talented—at least Rothbard was—in making use of an array of different thinkers of Marxist, socialist, collectivist persuasions for their own purposes. However, Oppenheimer is in such a chaotic web of intellectual traditions that, perhaps, he is of no use at all. He considered himself a "social liberal" and put himself in very good company:

> Only a small fraction of social liberals, or of liberal socialists, believe in the evolution of a society

[13]Ibid., p. 909.

> without class dominion and class exploitation which shall guarantee to the individual, besides political, also economic liberty of movement, within of course the limitations of the economic means. That was the *credo* of the old social liberalism, of pre-Manchester days, enunciated by Quesnay and especially by Adam Smith, and again taken up in modern times by Henry George and Theodore Hertzka [*sic*].[14]

Nonetheless, the author of *Der Staat* must be judged for what he has to say on his topic:

> The State, completely in its genesis, essentially and almost completely during the first stages of its existence, is a social institution, forced by a victorious group of men on a defeated group, with the sole purpose of regulating the dominion of the victorious group over the vanquished, and securing itself against revolt from within and attacks from abroad. Teleologically, this dominion had no other purpose than the economic exploitation of the vanquished by the victors.[15]

The claim is that the State came out of conquest and force. As appealing as this may sound for libertarians, this vision is off the mark. In another passage, Oppenheimer hints that the dawn of the State must be recognized in the division of labor—the simple fact that some people were endowed by nature with a warrior character and physical ability.

> The peasants become accustomed, when danger threatens, to call on the herdsmen, whom they no longer regard as robbers and murders, but as

[14]Franz Oppenheimer, *The State*, John Gitterman, trans. (San Francisco: Fox and Wilkes, 1997), pp. 124–25.

[15]Ibid., p. 9.

> protectors and saviors. . . . The herdsman has learned to "capitalize."[16]

In other words, it was not only direct conquest but also failed assaults that gave birth to the State. The best defenders discovered that they could do nothing and be nurtured by the population until the next wave of assailants came by. The warriors were thus the soul of the rising State. Needless to say, to defend and protect other people is a perfectly legitimate function, and if some people are very good at it, they deserve all the idleness they may get. The birth of the State, in Oppenheimer's enthusiastic conjecture, is contradictory: plunder (definitely illegitimate) on the one side and the division of labor (clearly legitimate) on the other.

Nation and State were born together and are indistinct in the German scholar's imagination:

> The moment when first the conqueror spared his victim in order permanently to exploit him in productive work, was of incomparable historical importance. It gave birth to nation and state, to right and the higher economics, with all the developments and ramifications which have grown and which will hereafter grow out of them.[17]

Oppenheimer is one of the leading sociologists to have paved the way for a fusionist socio-anthropological model.[18] Countless quotations from Friedrich Ratzel add an exotic flavor

[16]Ibid., pp. 32 and 31.

[17]Ibid., p. 32; italics deleted here.

[18]We must bear in mind that such a tradition has also been used to justify socialist solutions to social problems. The most famous example is to be found in Durkheim's *The Elementary Forms of Religious Life*, translated and with an introduction by Karen E. Fields (New York: Free Press, 1995), which had a lasting impact on Marcel Mauss and his school. The central thesis of Durkheim is that religion is a structure finalized to cement social bonds in a collectivist logic.

to the book. We are thus brought into a world where social organizations of the Ovambo, Wahuma, and other primitive cultures should teach us something about the State and its specific features.

The Rise of the Sovereign State: The Borders for Law and Order

The first myth one has to debunk in order to assess the relationship between the provision of law and order and the rise of the (modern) State is that this political institution is merely a natural and organic outgrowth of political power, as old as the history of mankind or of organized society. Actually, it would be wise to dispose of the qualifier "modern": only *the State* is modern.[19] Whether we see its cradle in the Italian system of

[19]On the modernity of the State, one of the best single accounts is still *The Formation of National States in Western Europe*, Charles Tilly, ed. (Princeton, N.J.: Princeton University Press, 1975). There is an immense body of scholarship on the subject, dating back to the early twentieth century. Not surprisingly, most of the literature comes from the German-speaking world (Carl Schmitt, Otto Brunner, Otto Hintze, just to quote the most famous authors), and it can be considered a reaction against the work of the previous generation. It was in fact the somewhat unconscious and hidden "research program" of the German jurists of the nineteenth century (George Waitz, Max von Seydel, Paul Laband) to consider any form of political association a "State." Some scholars of ancient history and even some modern historians deny the "modernity" of the State and of the cluster of political concepts connected with its birth, and feel free to discuss "sovereignty" in ancient Greece, or the birth of the "archaic State" in Mesopotamia. To us, this seems to be part of the dream and illusion of *Jus Publicum Europaeum;* i.e., to call State any form of political association, jurist any political thinker, and to pigeonhole in the sovereignty paradigm every political community. In any case, we believe that the burden of proof should fall on the historian's shoulder: it is incumbent upon him and not us (certainly no experts on antiquity) to show the usefulness of the "sovereignty" paradigm in describing ancient polities. In other words, it is the historian who should prove

States after the Peace of Lodi (1454), or in western Europe (Spain, France, and England) in the 1600s, one thing is clear: the State "gradually emerged in the course of the fifteenth and sixteenth centuries and found its first mature form in the seventeenth."[20]

After a summary of the chief traits of the State—organization, sovereignty, coercive control of the population, centralization, etc.—Gianfranco Poggi affirms: "strictly speaking the adjective 'modern' is pleonastic. For the set of features listed above is not found in any large-scale political entities rather than those which began to develop in the early-modern phase of European history."[21]

Oakeshott seemed to be conscious of this peculiarity of the State when he affirmed that

> [t]he somewhat novel association of human beings which came to be called the states of modern Europe emerged slowly, prefigured in earlier European history, but not without some dramatic passages in their emergence . . . for the most part, the territories of modern states were newly delineated. They were the outcome of movements of consolidation in which local independencies were destroyed and movements of disintegration in which states emerged from the break-up of medieval realms and empires.[22]

The second myth we must dispose of is the belief, shared by most historians, that the rise of the State contributed to the

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the relationship between the ancient institutional realities he is studying and the State.

[20]Heinz Lubasz, "Introduction," in *The Development of the Modern State*, Heinz Lubasz, ed. (New York: Macmillan, 1964), p. 1.

[21]Gianfranco Poggi, *The State: Its Nature, Development and Prospects* (Stanford, Calif.: Stanford University Press, 1990), p. 25.

[22]Michael Oakeshott, *On Human Conduct* (Oxford: Oxford University Press, 1975), p. 185.

general cause of human liberty. In other words, that it has been a "progressive factor" in the history of mankind. Instead, it must be seen as a revolution that upset the old order, granting privileges, immunities, and rents to some and obliterating them for the rest of society. As Charles Tilly put it,

> the European State-makers engaged in the work of combining, consolidating, neutralizing, manipulating a tough, complicated, and well-set web of political relations. . . . They had to tear or dissolve large parts of the web, and to face furious resistance as they did so.[23]

The history of liberty is rather to be found in the attempts to restrain the powers of the State, from the fight to preserve "medieval freedoms" and community privileges, to the struggle against the concentrations of power in a given center (whether a king or a parliament).

Liberty, as well as law and order, was secured, and in some cases much better, at different stages of European history, when a monopoly of violence over a given territory was simply out of reach. Although we are primarily concerned here with the State provision of law and order, one must not forget that the self-governing communities of the Middle Ages, in northern Italy and central Europe, offer significant examples of a completely different way of guaranteeing peace and security.

In the golden age of communal liberty (which lasted in most parts of Europe until the sixteenth century, but in certain areas, like Switzerland, much longer), merchants and citizens formed their own statutes regulating passage, immigration, and exchange: in short everything related to peaceful and noncoercive self-government. During these times, there was no clearcut definition of power over a given territory, as there were no

[23]Charles Tilly, "Reflections on the History of European State-making," in idem, *The Formation of National States in Western Europe,* pp. 24–25.

borders in the modern sense. An institutionalized power always had an antagonistic counterpower claiming allegiance from the same subjects. The result was that every medieval command was actually nothing more than a claim, subject to be opposed and constrained by an institutional network of competing counterclaims.

In *Freedom and the Law*, Bruno Leoni stated that

> an early medieval version of the principle, "no taxation without representation," was intended as "no taxation without the consent of the individual taxed," and we are told that in 1221, the Bishop of Winchester, "summoned to consent to a scutage tax, refused to pay, after the council had made the grant, on the ground that he dissented, and the Exchequer upheld his plea." We know also from the German scholar, Gierke, that in the more or less "representative" assemblies held among German tribes according to Germanic law, "unanimity was requisite" although a minority could be compelled to give way.[24]

It was not only what has been simplistically called "medieval pluralism" that guaranteed the impossibility of any state-like organizations, but rather the forms of the juridical relations between individuals and rulers. In medieval society the lives and properties were not readily "accessible" to the king and nobles. As Charles H. McIlwain pointed out:

> This property which a subject had of legal right in the integrity of his personal status, and the enjoyment of his lands and goods, was normally beyond the reach and control of the King. . . . At the opening of the fourteenth century John of Paris

[24]Bruno Leoni, *Freedom and the Law* (Princeton, N.J.: D. Van Nostrand, 1961), pp. 119–20.

> declared that neither Pope nor King could take a subject's goods without his consent.[25]

It seems quite difficult to conceive of a State without the attributes of a State—that is, the possibility of disposing at free will over the lives and properties of its subordinates. Clearly, what was beyond the reach of king and nobles during the Middle Ages is now available to democratic majorities, and the whole "story" of the State is how we got from there to here.

Prior to the birth of the State, the predatory effects of political power on individuals were minimal (compared to other areas of the globe or to what happened later on the same continent), and in any case the citizens always retained their exit right. This right kept a check on political power and is singled out by many authors as one of the primary causes for the development of a "limited territorial predator" in the West.

Meanwhile, there was no single source of law and order: the production of security was never considered a distinct institutional affair, but rather a concern of the whole community. For several centuries, customs, traditions, and ancient Roman laws worked together in assuring a juridical order. Law in the Middle Ages was a way of resolving conflicts, but it was kept a more or less private business. There was no organic conception of the "social body," and thus crime remained a private matter to be taken care of with well-defined rules. In other words, crime was never considered a social problem, a wound inflicted on the collective body. This, in turn, implied that the victims were the center of any lawsuit; redress was done from the point of view of the victims, never of a supposedly wounded collectivity. Even when feuds broke out, which was quite often, the families involved were asked to reestablish the public peace, but very seldom were the perpetrators of crimes punished once peace was restored.

[25]Charles Howard McIlwain, *The Growth of Political Thought in the West: From the Greeks to the End of the Middle Ages* (New York: Macmillan, 1932), p. 367.

In a peculiar sense, words, as crystallized ideas, have consequences: the medieval period was definitely over when, at the end of a long gestation, the word "State" was used in the modern sense by Niccolò Machiavelli. The Florentine asserted right at the beginning of his most famous work, *The Prince*: "All the states, all the dominions under whose authority men have lived in the past and live now have been and are either republics or principalities."[26] And the emergence, in political theory, of the cluster of ideas associated with the State is largely a Machiavellian legacy. As George Sabine put it:

> Machiavelli more than any other political thinker created the meaning that has been attached to the state in modern political usage. Even the word itself, as the name of a sovereign political body, appears to have been made current in the modern languages largely by his writings.[27]

However, in Machiavelli we find little concern for the public peace, tranquility and security of the citizens. When the word security (*sicurtà*) is used, it is always in reference to the Prince's possessions: "Among kingdoms which are well organized and governed, in our own time, is that of France: it possesses countless valuable institutions, on which the king's freedom of action and security depend."[28] For our purposes, Machiavelli is important, because, although a "republican" at heart, he saw the king and the kingdom as the protagonists of a new era.

From the sixteenth century, it was left to monarchical absolutism to develop the notion of the organization of power through an artificial person, the State. The novelty of such a political creature was that the entire political reality was reshaped through offices, entities, and laws. The new body

[26]Niccolò Machiavelli, *The Prince* (1516), translated with an introduction by George Bull (London: Penguin Books, 1961), p. 33.

[27]George H. Sabine, *A History of Political Theory* (New York: Henry Holt, 1937), p. 351.

[28]Machiavelli, *The Prince*, p. 105.

politic transcended individuals as well as sovereign. It did not represent anybody; it simply existed and was nurtured by myths produced by historians as well as politicians, first and foremost the myth of having always existed.[29] As Luhmann has noted: "Following the proclamation of the sovereign State, especially in France during the second half of the sixteenth century, historians went to work. The present needs a past adaptable to it."[30]

In this context of political modernity, the problem of law and order arose as a specific State problem. The first and foremost duty of the State toward its subjects became the provision of security. Or, to be less naïve,

> the State has arrogated to itself a compulsory monopoly over police and military services, the provision of law, judicial decision-making, the mint and the power to create money, unused land ("the public domain"), streets and highways, rivers and coastal waters, and the means of delivering mail. . . . But, above all, the crucial monopoly is the State's control of the use of violence: of the police and armed services, and of the courts—the locus of ultimate decision-making power in disputes over crimes and contracts.[31]

[29]One need only to think of the Latin phrase "*ubi societas, ibi jus*" (which clearly means only that where there is organized society there must be some rules), which is still translated by many jurists as "where there is a society there must be a State." This timeless notion attached to the State is also a peculiar aspect of the secularization of theological concepts, in this case eternal life. As Schmitt put it: "All significant concepts of the theory of the modern state are secularized theological concepts." Carl Schmitt, *Politische Theologie: Vier Kapital zur Lehre von der Souveränität* (Munich: Duncker and Humblot, 1922), p. 49.

[30]Niklas Luhmann and Raffaele De Giorgi, *Teoria della Società* (Milano: Angeli, 1994), p. 183.

[31]Murray N. Rothbard, *The Ethics of Liberty* (New York: New York University Press, 1998), p. 162.

Modern Political Thinkers: Sovereignty as Security

The rise of the centralized State apparatus that practically claimed a monopoly of the use of force within a given territory went hand in hand with the intellectual pursuit of describing such a novelty.

> The *plenitudo potestatis* became the goal towards which the kings moved consciously. To reach it, a long road stretched before them, for it was necessary to destroy all authorities other than their own. And that pre-supposed the complete subversion of the existing social order. This slow revolution established what we call sovereignty.[32]

The French thinker Jean Bodin in the late sixteenth century attempted to validate the power of the king against any other claim, and thus produced a work that is considered the starting point for any history of "sovereignty." The ruler was offered the gift of a totally new concept: that of the absolute authority over his kingdom, subject only to the divinely ordained natural laws. But such an innovation had to be dressed in old clothes.

> Sovereignty is the absolute and perpetual power of a commonwealth, which the Latins called *maiestas*; the Greeks *akra exousia, kurion arche*, and *kurion politeuma*; and the Italians *segnioria . . .* while the Hebrews call it *tomech shévet*—that is, the highest power of command.[33]

[32]Bertrand de Jouvenel, *Sovereignty: An Inquiry into the Political Good*, translated by J.F. Huntington, foreword by Daniel J. Mahoney and David Des Rosiers (Indianapolis, Ind.: Liberty Fund, 1997), p. 208.

[33]Jean Bodin, *On Sovereignty: Four Chapters from the Six Books of the Commonwealth*, edited and translated by Julian H. Franklin (Cambridge, U.K.: Cambridge University Press, 1992), p. 1. The book first appeared in 1576, but modern translations rely on the 1583 edition.

Bodin's intellectual efforts, coupled with the institutional developments that were taking place in Europe at the time, brought about a break with the medieval political tradition. In relation to well-known historical events (Bodin was writing in a period of intense religious conflict in France, at the height of the religious wars that threatened to destroy the country) and addressing social, cultural, and political needs of his time, the French thinker "discovered" the notion of sovereignty and associated it with an institutionalized reality. Sovereign authority became the absolute power of the State, neither temporary, nor delegated, nor answerable to any particular power on earth. The only limitations to the power of sovereignty were the laws of God and Nature. There is no place for anything like a concurrence of the subjects in determining the course of the sovereign, because "sovereignty is not limited . . . the crucial point of sovereign majesty . . . is that it can give laws to its subjects generally without their consent."[34]

But what is it there to perform? The first duty of the sovereign power is to find solutions for conflicts naturally arising in society. The task is to show that the forces that generated the conflict are unable to provide a solution to it. Once this is accepted, and because a permanent state of war is intolerable, it follows that a *summa potestas* (a locus where decisions *must* be taken) becomes a self-evident necessity.

The sovereign need not be an extraordinarily gifted man. Here we see the modernity of Bodin *vis-à-vis* Machiavelli: the only important thing is that someone has the power to decide for everybody without restrictions. The function attributed to the sovereign power, not the quality of the prince, will render his actions just and fortunate. It is the birth, in political thought, of the institutional reality.[35]

[34]Jean Bodin, *Les six livres de la Republique* (Paris: Jacques du Puys, 1577), vol. 1, chap. 8.

[35]While we see the birth of the "institution" in Bodin's political thought, Hobbes performs pretty much the same task for Martin van Creveld, in *Rise and Decline of the State.* In any case, both absolutist

Some contemporary political philosopher's far-reaching vision notwithstanding,[36] sovereignty is very much a State concept, as in the days of Charles L'Oyseau, who asserted:

> Sovereignty is entirely inseparable from the state. . . . For sovereignty is the form which causes the state to exist; indeed, the state and sovereignty in the concrete are synonymous. Sovereignty is the summit of authority, by means of which the state is created and maintained.[37]

It was up to Thomas Hobbes to reinterpret the same category discovered by Bodin, in times of social and political strife for England that parallel those in which the French thinker wrote. The framework created by Hobbes has had a much more lasting impact on social philosophy. As Hoppe put it:

> the myth of collective security can also be called the Hobbesian myth. Thomas Hobbes, and countless political philosophers and economists after him, argued that in the state of nature, men would constantly be at each other's throats. *Homo homini lupus est.* Put in modern jargon, in the state of nature a permanent underproduction of security would prevail.[38]

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thinkers appear modern compared to the Machiavellian anthropomorphic reflections on politics.

[36]"I now accept . . . that *the link between the two* [State and sovereignty] *can and must be severed*, and that, when this is done, the concept of sovereignty can be reformulated and reclaimed." John Hoffman, *Sovereignty* (Minneapolis: University of Minnesota Press, 1998), p. 2.

[37]Charles L'Oyseau, *Traicté des Seigneuries* (Paris, 1609), p. 24, quoted in de Jouvenel, *Sovereignty*, p. 215.

[38]Hans-Hermann Hoppe, *The Private Production of Defense* (Auburn, Ala.: Ludwig von Mises Institute, 1999), p. 1.

Hobbes accentuated the institutional characteristics of the sovereign power as well as the necessity of preserving the public peace. In fact, the only times when the citizens seem to have certain rights *vis-à-vis* the sovereign is when the latter does not perform his duty to provide law and order. A contemporary historian asserted:

> Hobbes deserves the credit for inventing the "state" . . . as an abstract entity separate both from the sovereign (who is said to "carry" it) and the ruled, who, by means of a contract among themselves, transferred their rights to him. . . . Hobbes's sovereign was much more powerful than . . . any Western ruler since late antiquity.[39]

The supreme power (be it vested in an omnipotent assembly or a king) has a right to the obedience of its subjects.

> And because the End of this Institution is the Peace and Defence of them all [the citizens], and whosoever has right to the End has right to the Means, it belongeth of Right, to whatsoever Man, or Assembly that hath the Soveraignty, to be Judge both of the meanes of Peace and Defence, and also of the hindrances and disturbances of the same; and to do whatsoever he shall think necessary to be done, both beforehand, for the preserving of Peace and Security, by prevention of Discord at home, and Hostility from abroad; and when Peace and Security are lost, for the recovery of the same.[40]

The great antagonist of Hobbes, in seventeenth century England, was John Locke. As far as we are concerned, only one difference must be kept in mind: Hobbes defends government

[39]Creveld, *Rise and Decline of the State*, p. 179.

[40]Thomas Hobbes, *Leviathan* (1651), edited and with an introduction by Crawford B. Macpherson (Harmondsworth, U.K.: Penguin Books, 1968), pp. 232–33.

as a peacemaker, Locke as a rights-protector.[41] Locke's concept of the State as a man-made artifact for the protection of life, liberty, and estate—in a word, *property*—puts him in a different class of thinkers. The State is still the provider of law, order, and social peace; however, it is limited by a major constraint, namely, the protection of the individual's natural and inalienable rights. This is the peculiar Lockean notion of law and order: property (the sum of the individual rights in the state of nature minus the individual right of self-defense which is forfeited upon entering into civil society) must be guaranteed by the State monopoly of force. Obedience, however, is not granted unconditionally:

> The reason why men enter into society is the preservation of their property; and the end while they choose and authorise a legislative is that there may be laws made, and rules set, as guards and fences to the properties of all the society, to limit the power and moderate the dominion of every part and member of the society. For since it can never be supposed to be the will of the society that the legislative should have a power to destroy that which every one designs to secure by entering into society, and for which the people submitted themselves to legislators of their own making: whenever the legislators endeavour to take away and destroy the property of the people, or to reduce them to slavery under arbitrary power, they put themselves into a state of war with the people, who are thereupon absolved from any farther obedience, and are left to the common refuge which God hath provided for all men against force and violence.[42]

[41]Considering how, in the past three centuries, States have managed to maintain peace and protect individual rights, the failure of both the Hobbesian and Lockean frameworks must be acknowledged.

[42]John Locke, *Two Treatises of Government*, edited with an introduction and notes by Peter Laslett (Cambridge, U.K.: Cambridge

The intellectual pursuit of an almost nonsovereign State, or at least of a limited State, bound by consent and natural rights, which is what the work of Locke is about, gave birth to the traditions of classical liberalism and constitutionalism. But the quest for full sovereignty of the body politic did not end with Locke's *Second Treatise*, which actually had little impact when it was first published (1690) and went almost unnoticed for several decades.

A very different kind of thought, soon to gain preeminence in continental Europe, was developed in the 1700s by a Geneva-born thinker. For Jean-Jacques Rousseau, sovereignty resides in the general will and, accordingly, individuals must be *forced to be free*. In the *Social Contract* (1762), he wrote:

> In order then that the social compact may not be an empty formula, it tacitly includes the undertaking, which alone can give force to the rest, that whoever refuses to obey the general will shall be compelled to do so by the whole body. This means nothing less than that he will be forced to be free; for this is the condition which, by giving each citizen to his country, secures him against all personal dependence. In this lies the key to the working of the political machine; this alone legitimises civil undertakings, which, without it, would be absurd, tyrannical, and liable to the most frightful abuses.[43]

University Press, 1988), p. 412. Although published anonymously in 1690, this work was actually written almost a decade earlier, as Peter Laslett has definitively demonstrated, and thus it cannot be considered a rationalization of the "Glorious Revolution," as the Marxist school has always maintained.

[43]Jean Jacques Rousseau, *The Social Contract and Discourses*, translated with an introduction by G.D.H. Cole (New York: Everyman's Library, 1950), p. 18.

In spite of the war on individuality declared both by Rousseau and his Jacobin followers, classical liberalism did not completely die out on the continent. Frédéric Bastiat, in the middle of the nineteenth century, was one of the few political theorists to revive the natural-rights tradition. In a famous pamphlet he stated that:

> Life, liberty, and property do not exist because men have made laws. On the contrary, it was the fact that life, liberty, and property existed beforehand that caused men to make laws in the first place. . . .
>
> What, then, is law? It is the collective organization of the individual right to lawful defense.
>
> Each of us has a natural right—from God—to defend his person, his liberty, and his property. These are the three basic requirements of life, and the preservation of any one of them is completely dependent upon the preservation of the other two.[44]

Just a year earlier, another French economist, Gustave de Molinari, published an article in the *Journal des Économistes*,[45] challenging for the first time the State in its most vital monopoly function: the production of security.

Molinari begins by quoting Dunoyer, a classical liberal who believed that a State monopoly on law and order was a necessity: "One economist who has done as much as anyone to

[44]Frédéric Bastiat, *The Law and Clichés of Socialism* (Whittier, Calif.: Constructive Action, 1964), p. 10. *La Loi* was first published in June 1850 as a pamphlet.

[45]Gustave de Molinari, "De la production de la sécurité," *Journal des Économistes* VIII (March 1849): 277–90. This article has been translated by J. Huston McCulloch, "The Production of Security," *Occasional Paper Series*, no. 2 (New York: The Center for Libertarian Studies, 1977).

extend the application of the principle of liberty, M. Charles Dunoyer, thinks 'that the functions of government will never be able to fall into the domain of private activity.'"[46] And then he poses the crucial question:

> But why should there be an exception relative to security? What special reason is there that the production of security cannot be relegated to free competition? Why should it be subjected to a different principle and organized according to a different system?[47]

Molinari's argument for security as a commodity is simple and very appealing:

> It offends reason to believe that a well established natural law can admit of exceptions. A natural law must hold everywhere and always, or be invalid. . . . I consider economic laws comparable to natural laws. . . . The production of security should not be removed from the jurisdiction of free competition; and if it is removed, society as a whole suffers a lot. Either this is logical and true, or else the principles on which economic science is based are invalid.[48]

His analysis goes on to show that there are two logical noncompetitive solutions: monopoly (the old monarchy) and communism (which he believed was on the rise and gaining ground everywhere). If communism will prove itself to be a good provider of protection, then it should work also in any other field of economics. "Complete communism or complete freedom: that is the alternative!"[49] What if someone accepts neither monopoly nor communism? For these unlucky few there is only violence.

[46]Gustave de Molinari, "Production of Security," pp. 3–4.

[47]Ibid., p. 4.

[48]Ibid.

[49]Ibid., p. 8.

> The monopolists and the communists . . . understand this necessity. If anyone, says M. de Maistre, attempts to detract from the authority of God's chosen ones, let him be turned over to the secular power, let the hangman perform his office. If anyone does not recognize the authority of those chosen by the people, say the theoreticians of the school of Rousseau, if he resists any decision whatsoever of the majority, let him be punished as an enemy of the sovereign people, let the guillotine perform justice.[50]

Molinari ends his essay with a vision of a free society that even a century and a half later still inspires libertarians all around the world.

> Under a regime of liberty, the natural organization of the security industry would not be different from that of other industries. In small districts a single entrepreneur could suffice. This entrepreneur might leave his business to his son, or sell it to another entrepreneur. In larger districts, one company by itself would bring together enough resources adequately to carry on this important and different business. If it were well managed, this company could easily last, and security would last with it. . . . On the one hand this would be a monarchy, and on the other hand it would be a republic; but it would be a monarchy without monopoly and a republic without communism. On either hand, this authority would be accepted and respected in the name of utility, and would not be an authority imposed by *terror*.[51]

[50]Ibid., p. 12.

[51]Ibid., pp. 14–15. Hoppe recognizes the paramount importance of Molinari's vision in a recent critique of classical liberalism:

> If liberalism is to have any future, it must repair its fundamental error. Liberals will have to recognize

The Lessons of European Realism

The constitutionalist claim to justify the State's monopoly of violence has been challenged directly by the radical libertarian tradition (Molinari) and by individualist anarchists (such as Lysander Spooner). However, an important role in bringing the modern State into perspective has also been played by European political realism and, in particular, by Carl Schmitt and the Italian elitist scholars (Gaetano Mosca and Vilfredo Pareto).

Schmitt's importance rests very much on his intuition that in every State there is first a *political* dimension and then a *decision*, which cannot be obscured by the so-called "impersonality" of law and the "super-individuality" of orders.[52] Beyond the apparent abstraction of the State (as described by Hans Kelsen and other positivists),[53] Schmitt uncovered choices, interests, and, in short, *people* that impose their will on others.

The constitutional thought of classical and contemporary liberalism has constantly tried to neutralize politics, but it has

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> that no government can be contractually justified, that every government is destructive of what they want to preserve, and that protection and the production of security can only be rightfully and effectively undertaken by a system of competitive security suppliers. That is, liberalism will have to be transformed into the theory of private property anarchism (or a private law society), as first outlined nearly 150 years ago by Gustave de Molinari and in our own time fully elaborated by Murray Rothbard.

Hans-Hermann Hoppe, "The Future of Liberalism: A Plea for a New Radicalism," *Polis* 1 (1998): 140.

[52]See Carl Schmitt, *The Concept of the Political* (1932), translation, introduction, and notes by George Schwab (Chicago: University of Chicago Press, 1966).

[53]Hans Kelsen, *General Theory of Law and State* (Cambridge, Mass.: Harvard University Press, 1946).

failed. In Schmitt's opinion, the real sovereign is the political group that has the final decision about the critical situation, in the state of emergency.[54] The locus of sovereignty thus becomes the political entity (which in our time is the State), and the decision on the state of emergency is the ultimate test of sovereignty. Legal positivism tried hard to refute the importance of this notion, but critical decision making is paramount in the development of human relations.

Therefore, the "liberal" neutralization of politics sought by classical constitutionalism is simply impossible. When the State—*every* State—is recognized as a structure of decisions and an instrument of domination wielded by some *rulers*, political modernity displays itself with no clothes and one can understand the illegitimacy, as well the irrationality, of the monopoly of protection. There is nothing "neutral" or "innocent" in the power of a group of men that Italian elitists called the *ruling class.*

Hobbes was wrong (as a philosopher) when he asserted that law comes from authority. However, we can agree with political scientists using Hobbesian theory that State decisions are the result of conflicts of interests and opposing views. In statist societies, where the law is controlled by a monopolistic institution, it is force that dictates law.

This is especially true in democratic countries, where social life is marked by the competition for the control of the political "center," i.e., the power to distribute resources, favors, and privileges. Schmitt's critique of the hypocrisy of liberal democracy is confirmed by the Italian elitists. The latter were convinced that in every political system there is a small group of men (an organized elite) dominating the large disorganized mass. As Pareto noted,

> the corruption of the parliamentary system meant that the interests of the majority were seconded to the interests and passions of a small and highly

[54]Schmitt, *Concept of the Political*, p. 38.

> organized group. These were ready to use any means to extend their influence and dominate the country.[55]

For this reason, democracy exists only as a political ideology devoted to protecting and legitimating the power of a minority capable of taking advantage of its higher organization.[56]

Bruno Leoni adopted political realism (and the lessons of the Italian elitists) in his critique of majoritarian democracy. In his opinion, eliminating all group decisions taken by aggressive coalitions

> would mean terminating once and for all the sort of legal warfare that sets group against group in contemporary society because of the perpetual attempt of their respective members to constrain, to their own benefit, other members of the community to accept misproductive actions and treatment.[57]

In juridical and political philosophy, the hypothesis of a *neutral* State is often supported by the suggestion that this political institution is eternal. However, European political realism refused this arbitrary identification between State and politics. Social orientations generally support contemporary democracy, defining all forms of juridical organization as part of the all-encompassing category "State." A major contribution of Schmitt, as we noted, is his placing the State in historical context, i.e., modernity. For all these reasons, "European realism" has contributed to uncovering the fabrications of constitutionalism, the conceptual frauds of democracy and the fallacious idea that State is an institutional reality as old as mankind. To be sure, Schmitt was the most theoretically sound expounder of the crisis of the State, but he did not identify a solution.

[55]Vilfredo Pareto, *Libre-échangisme, protectionnisme et socialisme* (Geneva: Droz, 1965), p. 33.

[56]See Gaetano Mosca, *Saggi politici* (Torino: Utet, 1980), p. 621.

[57]Bruno Leoni, *Freedom and the Law*, p. 140.

Another protagonist of "European realism," the Lombard scholar Gianfranco Miglio, tried to go beyond Schmitt. In some of his works, he has explained the crisis of the Soviet state model. This was the downfall of the modern political system that showed the greatest confidence in the rationality of orders imposed with violence. Given that the Soviet Union has broken up, Miglio asserted, the other State systems (especially the ones governed by democratic parliaments) would suffer growing criticism and dissent, and might also collapse in the near future.

The State is declining also because of its internal contradictions. In its attempt to appear as a nonaggressive provider of individual rights, the State has created a deceitful contractualism, which is continually sapping its existence. From a theoretical point of view, as Miglio observed,

> the modern State is a construction entirely based on the contract. It has extended into the non-political area of "private life." Therefore, the State is historically a complex of services and provisions, a gigantic entity of contractual relationships.[58]

In fact, in spite of its ideological self-representation, the democratic State is an illustration of violence and monopoly unparalleled in human history. It exists because it is the only institution authorized to use force in a given territory. However, the notion of political obligation has lost vigor and consistency, while economy and communications are growing together with the rationality of free exchange, free markets, and free discussions.

In Search of Libertarian Realism

The force of Miglio's arguments derives from the fact that his speculative theory tries to bring together the *pars destruens* of European realism with the *pars construens* of American libertarianism (although somewhat unconsciously). For Miglio,

[58]Gianfranco Miglio, *Le regolarità della politica* (Milano: Giuffrè, 1988), p. 757.

however, political communities are primary entities, while most contemporary libertarians, like Rothbard, accept Molinari's theory about the privatization of security and imagine a complete liberalization in the realm of law and order. It is not the usual occupations of contemporary States that are the focus of libertarian criticism.

> The State indeed performs many important and necessary functions: from provision of law to the supply of police and fire fighters, to building and maintaining the streets, to delivery of the mail. But this in no way demonstrates that *only* the State can perform such functions, or, indeed, that it performs them even passably well.[59]

Rothbard's demystification of the State is appealing. In fact, he underlined a methodological integration of State and civil society and pursued a *reductio ad unum* that eliminates every artificial frontier between men operating within the private and the public sectors. In his noted statement of the tenets of the libertarian creed, he asserted:

> [T]he libertarian refuses to give the State the moral sanction to commit actions that almost everyone agrees would be immoral, illegal, and criminal if committed by any person or group in society. The libertarian, in short, insists on applying the general moral law to everyone, and makes no special exemptions for any person or group.[60]

For libertarians, it is impossible to accept criminal behavior if carried out by the lawmakers. It must be condemned just as when simple citizens act in the same manner. Rothbard remarks that

[59]Rothbard, *Ethics of Liberty*, p. 161.

[60]Murray N. Rothbard, *For A New Liberty: A Libertarian Manifesto* (Lanham, Md.: University Press of America, 1985), p. 24.

> *All other* persons and groups in society (except for acknowledged and sporadic criminals such as thieves and bank robbers) obtain their income voluntarily: *either* by selling goods and services to the consuming public, *or* by voluntary gift (e.g., membership in a club or association, bequest, or inheritance). *Only* the State obtains its revenue by coercion, by threatening dire penalties should the income not be forthcoming.[61]

In libertarian theory, Albert Jay Nock analyzed the consequences of this situation in the 1930s: "Taking the State wherever found, striking into its history at any point, one sees no way to differentiate the activities of its founders, administrators and beneficiaries from those of a professional-criminal class."[62] When the State exercises a monopoly of violence and punishes criminal behavior committed by ordinary citizens, it must legitimize itself and its own criminal behavior. Hence, Schmitt was right when he said that in State-ridden societies there is always a *decisional* dimension (political and arbitrary) that nobody can ignore and no institution can eliminate.[63]

Rothbard also accepted the main tenets of elitism. His opinion is that "the normal and continuing condition of the State is oligarchic rule: rule by a coercive elite which has managed to

[61]Rothbard, *Ethics of Liberty*, p. 162.

[62]Albert J. Nock, *Our Enemy, The State* (San Francisco: Wilkes and Fox, 1992), p. 22.

[63]The consequences of this analysis are that

> the State is a coercive criminal organization that subsists by a regularized large-scale system of taxation-theft, and which gets away with it by engineering the support of the majority (*not*, again, of everyone) through securing an alliance with a group of opinion-moulding intellectuals whom it rewards with a share in its power and pelf. (Rothbard, *Ethics of Liberty*, p. 172)

gain control of the State machinery." His thesis is that an important argument

> for the oligarchic rule of the State is its parasitic nature—the fact that it lives coercively off the production of the citizenry. To be successful to its practitioners, the fruits of parasitic exploitation must be confined to a relative minority, otherwise a meaningless plunder of all by all would result in no gains for anyone.[64]

So, Rothbard gave us a straightforward explanation of the fact that a minority controls the State. And he often used Oppenheimer's distinction (as we noted, probably the only utilizable reflection to be found in *The State*) between *economic means* and *political means:*

> There are two fundamentally opposed means whereby man, requiring sustenance, is impelled to obtain the necessary means for satisfying his desires. These are work and robbery, one's own labor and the forcible appropriation of the labor of others. . . . I propose in the following discussion to call one's own labor and the equivalent exchange of one's own labor for the labor of others, the "economic means" for the satisfaction of needs, while the unrequited appropriation of the labor of others will be called the "political means."[65]

If the State exists to exploit the great mass of the population, then a small minority must control the loot. It is here that libertarianism underlines the fragility of modern politics, always unable to justify the different conditions of the governing elite and the governed populace. It is obvious that this situation can only be appreciated by understanding the historical evolution of the State. It should be evident that this institution

[64]Rothbard, *For A New Liberty*, p. 50.

[65]Oppenheimer, *The State*, p. 14.

has been imposed to the disadvantage of all types of social and political autonomy that existed in previous times.

The factual character inherent in most libertarian analyses of the State should bring us to understand the important link between libertarianism and "European realism." The realists, following Schmitt, consider sovereignty an abstract and impersonal concept having very little to do with authenticity. Thus, a stream of contemporary libertarian thought trying to reestablish the intellectual legitimacy of a sort of premodern past, which the concept and reality of State institutions tried to cancel, seems to us perfectly sound.

The key to the rise of the State can be found also in the "personal feuds" of medieval Germanic populations and the gradual abolition of this practice. Otto Brunner showed that the modern political-judicial "rationalization" implied the disarming of citizens, which was followed by the creation of an increasingly armed bureaucracy. The disarming of individuals and the abolition of their possibility to act in defense of their own rights paved the way to the creation of a monopoly of legislation, which in turn led to the submission of the entire society.[66]

But what was this ancient "feud"? It was above all an action to correct a wrong and therefore it was construed as a right. "The legitimacy of a feud depended above all on a just claim;

[66]The English-speaking world has been very suspicious of both Carl Schmitt and Otto Brunner, in part because of their intellectual ties with the Nazi regime, so that serious studies of their theories began quite late compared to other Western countries like Italy and France. The 1939 edition of Brunner's *Land und Herrschaft*, for instance, is full of "Volksgeschichte," "Volksordnung," and Nazi jargon; in 1959, he "cleaned up" his book and published a quite de-Nazified fourth printing. The English and Italian translations are based on the 1965 expanded edition. See Otto Brunner, *Land and Lordship: Structures of Governance in Medieval Austria*, Howard Kaminsky and James Van Horn Melton, trans. (Philadelphia: University of Pennsylvania Press, 1992). See also the translators, introduction (pp. iii–lxiv) for a good discussion of Brunner's Nazism.

for feud and enmity were at heart a struggle for right that aimed at retribution and reparation for a violation of one's right."[67] Within medieval judicial order and indeed within their institutions, we see sovereigns and subjects declare war and conclude peace with each other "as if" each were subject to international law.

This link between the *historicity* of the State and political realism is very important. The analysis of Brunner about medieval feud is interesting also because it underscores the fact that law and society are the result of individual acts. Bruno Leoni's writings about the "individual claim" illustrate the attempt to construe a realistic theory on the origins of law, based on "methodological individualism."[68] Medieval history offers a corroboration of this thesis. For Leoni, norms are the result of an exchange of individual claims, as the price is the result of a negotiation between buyer and seller. But also, the "feud solution" of medieval law can be analyzed as the conclusion of an interaction between the *victim* (who asked justice) and the *offender* (who must satisfy the claims of the victim and refund the damages).

In fact, the feud was not an arbitrary initiative. Its essential premise was the *existence of a juridical foundation.* Without a wrong being committed, there was no feud, but simply brute force, rebellion, and aggression. On the other hand, Brunner showed that "in a 'legitimate' feud the parties were required to 'offer justice' in some sort of preliminary negotiations."[69] In many cases, a feud was not simply a right but also a duty that took priority over "an individual's obligation to a third party,"[70] a creditor in particular.

[67]Brunner, *Land and Lordship*, p. 36.

[68]Bruno Leoni, "The Law as Claim of the Individual." *Archiv für Rechts- und Sozialphilosophie* (1964): 698–701. (This article is now in *Freedom and the Law*, expanded third edition, foreword by Arthur Kemp (Indianapolis, Ind.: Liberty Fund, 1991), pp. 189–203.

[69]Brunner, *Land and Lordship*, p. 41.

[70]Ibid., p. 42.

The strides toward political modernity canceled the polycentric juridical order—without a monopoly of the law—where each vassal could lawfully initiate violence against his own lord in order to have his reasons recognized. As Otto Brunner noted, "prohibiting feuds was not a matter of a simple act of state; it entailed a fundamental change in the structure of law and politics."[71] Of course, some historians are quite content with the category "feudalism," which they adopt to explain pretty much everything in Europe from the fall of the Roman Empire to the Renaissance. We concur with Brunner that this is "a convenient cover for everything that one does not understand about the Middle Ages."[72]

Some scholars have developed historical-institutional analysis to show the historicity of the State and the fact that it is only one (and certainly not the best) of many possible forms of social cooperation. There are a number of nonstate judicial organizations which, although marginal, are nevertheless important for our historical comprehension of the problem. (Typical societies without government that have been studied by libertarians include prehistoric civilization, ancient Iceland, primeval Ireland, and the American West.) In the future we need to look more into the medieval period and in particular at the later stages of its peak, between the eleventh and fifteenth centuries. It is from the medieval polycentric and self-regulated juridical order that many useful suggestions could come to widen our concept of liberty. Also, this world is the very core of Western civilization, while the realities celebrated by libertarians as "societies without a state" are somewhat peripheral.

Prior to the rise of the State, law and its interpreters had to recognize the existence of traditions, ethnic and family ties, and customs and culture. Law was mostly unwritten; it coincided with customs, and therefore it existed in a series of concrete cases that were outside the control of any political authority. It

[71]Ibid., p. 29.

[72]Ibid., p. 93.

was to be found in the realms of jurisdiction and in the theoretical debates made by theologians and jurists. In the medieval period, the law was far from the all-encompassing instrument of modern societies.

There were two levels of law within medieval society: *lex divina* and *lex humana.* The latter was never intended as an act of free will but rather as a constant and imperfect attempt to impose divine rationality on nature and society. In the tensions that united and divided divine law and human law, an extraordinary intellectual work emerged, witnessed by the scholastic *quaestiones.* In St. Thomas, therefore, law was "*quoddam dictamen practicae rationis*": an expression of practical reason.[73] The greatest effort consisted of finding the strength and limits of the historical laws to be able to recognize laws necessary for society that were coherent with how God had ordained the world: "*Tota communitas universi gubernatur ratione divina. Et ideo ipsa ratio gubernationis rerum in Deo sicut in principe universitatis existens, legis habet rationem.*"[74]

Communities by Consent, Market for Protection, and the New World Order

One of the more characteristic features of the medieval period was the dimension of the traditional community. The "isolated individual" did not exist either socially or politically. The intentional characteristic of modern law—as an act of free will of those who are in power—and the centrality of the individual *without relations, without a history or identity* (completely abstract and simply a part of the Welfare State), are therefore closely linked. Contemporary libertarianism, after decades of oblivion of community, has also developed a tendency to rethink the individual, and to emphasize his strong ties within a community. Furthermore, the free market can be appreciated fully for its ability to connect individuals, thereby

[73]St. Thomas Aquinas, *Summa Theologica*, p. 91, art. 3.

[74]Ibid., p. 91, art. 1.

favoring communications and the development of a sense of community. The market, in fact, allows the emergence of relationships based on *trust*. This is essential for the quest for a society capable of minimizing the role of violence, like the one envisioned by libertarians. Protection agencies competing for customers could be the means to create consensus and trust among those who require security. This free market for protection, favored by libertarians, would be a prelude to a revitalization of interpersonal relationships.

On the other hand, economic analyses of State redistribution and studies on rent-seeking have shown that in its terminal stage, statist politics is a bitter struggle of everyone against everyone else in search of privileges. The triumph of the Hobbesian state of war occurs inside the body politic, within the borders of the sovereign power. At the beginning of the twenty-first century, Leviathan seems to have concluded its own parabola in a society dominated by conflicts without rules.

Contemporary politics faces a dilemma: Should the State protect individuals as individuals, or should it consider men as members of a group? If it opts for the former it must ignore identity and culture to the point of obliterating traditions in the name of the commonwealth of *les valeurs républicaines* (the republican values). On the other hand, if it considers individuals as part of a group, the State must accept the Balkanization of political society. This in turn implies that power becomes the fulcrum of a cartel of ethnic, religious, or cultural groups that look after their own interests to the detriment of everybody else's rights. Indeed, within the State, each difference becomes an excuse for conflict and contrast.

Contrary to the critics of libertarianism, the commercialization of protection does not lead to the disorder of endemic conflict and war without solutions. Once again, the medieval experience shows that conflicts were less frequent, and their consequences less bloody. Furthermore, the inability to reach the lawmaking process, the seat of ultimate decision making (as the former was placed in no particular center and the latter

simply did not exist), made the risks associated with waging war not worth taking.

The fragmentation of medieval politics had the merit of making all institutions weak and each army small. As Jean Baechler showed in his famous work on the origins of capitalism, it was medieval anarchy that helped create the dynamism of the first capitalism, both in the northern Italian and Flemish communes and in the markets of France.[75] The weakness of politics was the strength of the merchants (and vice versa). We believe that a careful reexamination of the past can be a means of regaining efficient strategies for liberty. The failure of public monopolies in facing crime has already aided the spread of private security agencies to protect banks, companies, and residential areas. It is reasonable to imagine that the number and size of these activities will continue to grow in the future, as it has done extraordinarily over the past 22 years.[76]

There are no contradictions, furthermore, between the libertarian defense of secessionist processes (which lead to the development of smaller territorial monopolies) and the hypothesis of a market where protection is guaranteed by insurance companies and private police forces.[77] Both strategies are closely related, because if secessionist processes are able to challenge State control of the territory, they also tend to create new and smaller protection monopolies. These, in turn, are less capable of subduing their own citizens, thanks to reduced exit costs and to the widening supply of governmental services.

However, the break-up of the Nation-State, which might be in our horizon, will not be able by itself to secure a libertarian

[75]Jean Baechler, *Les origines du capitalisme* (Paris: Gallimard, 1971).

[76]Bruce L. Benson, *To Serve and Protect: Privatization and Community in Criminal Justice* (New York: New York University Press, 1998).

[77]Hans-Hermann Hoppe, "Small is Beautiful and Efficient: The Case for Secession," *Telos* 107 (Spring 1996): 95–101.

future. One need only to observe what is happening on an international level to see that a new concept of law-enforcement is quickly gaining ground. It is within such a logic that we could envision the old Nation-States abandoned to their fate, and the new statist thinkers and builders bottling the same old wine in new flasks. Given the great difficulty within national borders, State law enforcement is trying to relegitimize itself within a new World Order which, thanks to the United Nations, NATO, and the like, would want to ensure maximum protection to all our "rights." This project is very dangerous, because public opinion only vaguely understands the risks associated with the construction of World Government. "Humanitarian" interventionism, which is opening the path towards this goal, seems to meet with favor from the general public as well as from the pundits. In David Held's view, for instance, globalization means that our actual citizenship cannot be defined by membership in a Nation-State, and democracy will not mean participation in purely national political processes. In this sense, according to Held, we need to think in terms of a "Cosmopolitan Democracy."[78]

What is already happening in Europe is very significant. If present trends continue, the different European peoples, daily wrapped up in conflicts and difficulties caused by their own States, are about to be subject to the authority of a continental super-State, without even realizing it. This new government will try to "harmonize" fiscal policies—not to lower taxes, to be sure—and every other type of control of individual resources. At the end perhaps, Brussels will command every political decision and succeed in building a new "imperial" State, alongside the United States.

The expressions "World Government" and "Cosmopolitan Democracy" are only allusive, and they suggest a very general hypothesis. However, the success of a global power cannot be

[78]D. Held, *Democracy and the Global Order* (Cambridge, U.K.: Polity, 1995).

foretold, and we will never be sure whether this unified legal order, centralized and tyrannical, will take the place of the actual Nation-States. In his analysis of the use of violence which is proper of the State, Charles Tilly distinguishes four different activities of the public agents: war making ("eliminating or neutralizing their own rivals outside the territories in which they have clear and continuous priority as wielders of force"), state making ("eliminating or neutralizing their rivals inside those territories"), protection ("eliminating or neutralizing the enemies of their clients"), and extraction ("acquiring the means of carrying out the first three activities—war making, state making, and protection").[79] Nobody can predict whether the international organizations will ever be ready to satisfy all these conditions. They are merely increasing their authority and the capacity to control the resources of individuals, but they are still unable to discipline States. There is a certain irony in the fact that freedom seekers all around the globe must rely on the States' unwillingness to comply with the far-reaching political dreams of euro and world unificationists. The contemporary resistance of the State to this historical nemesis of its own logic—the same one that in the past has paved the road to the rise of political modernity and is now digging its grave—seems to be the only realistic hope for individual liberties.

If human history continues the current ominous evolution toward a reinforcement of global political institutions, it is fairly likely that the World Order will be marked by a shared, concurrent power, between the old Nation-States and the new Center. The history of American federalism and the recent evolution of the European Union should provide some useful insights to understand this kind of dynamic. In any case, today's cultural struggle seems clear-cut. On the one side, there is the emergence of theoretical hypotheses and business

[79]Charles Tilly, "War Making and State Making as Organized Crime," in *Bringing the State Back In*, Peter B. Evans, Dietrich Rueschemeyer, and Theda Skocpol, eds. (Cambridge, U.K.: Cambridge University Press, 1985), p. 181.

solutions, which redirect an ever increasing amount of power and free choice into the hands of individuals. The liberalization processes of industrial sectors and the globalization of markets have favored this trend. Secessionist pressure and the increasing demand for private protection are other signs of this tendency.

Against these overall positive tendencies, there is the zealous attempt of the monopolistic classes to preserve their privileges by the preparation of "universal" institutions created to abolish all types of dictatorship, protect civilians in all corners of the world—spreading liberal culture and practices. The struggle against poverty, sufferance, and ignorance, which have in the past been the pretext to justify socio-economic intervention by governments and the domination of political classes, has now reappeared as planetary *welfarism*. And this new statism is aimed at creating a technical-structural monopoly capable of imposing its own wishes on everyone.

The contemporary humanitarian *liberal* agenda, which caused the most recent conflicts, is something truly paradoxical and contradictory. The attempt to justify war by the political classes of NATO was shielded by the championing of individual rights. The crimes committed by those who bombed the civilian Serbian population were justified with constant referral to the civilians' situation in Kosovo. Thus, States disappeared and the war appeared to be what it actually was—a conflict between individuals, groups, and coalitions. War returned to being something similar to the medieval feud, even if it had no moral legitimacy. By refusing to confer upon Milosevic's Serbia the traditional dignity granted to States, the Western allies showed the very nature of their own institutions. In its hypocritical appeal for individual rights of Kosovo's citizens, NATO was forced to ignore the rights of Yugoslavia as a State and thus to accept the view of European realism and American libertarianism. This bloody episode shows that the same logic, which could lead to a world government, could also lead in the opposite direction. The return of individual and ethnic rights, even only as an excuse for political imperialism, could favor the

dissolution of Nation-States, of large continental empires, and of *mainstream* political culture.

Many libertarians have singled out international relationships among individuals in times of peace as examples of contractual agreements, voluntary jurisdiction, and minimal coercion. We may witness a fundamental change: The conflict between liberty and coercion will continue to make its mark on human history in the future, and the international arena will probably be a more important battlefield than the domestic one.

2
War, Peace, and the State

Murray N. Rothbard

The libertarian movement has been chided by William F. Buckley, Jr., for failing to use its "strategic intelligence" in facing the major problems of our time. We have, indeed, been too often prone to "pursue our busy little seminars on whether or not to demunicipalize the garbage collectors" (as Buckley has contemptuously written), while ignoring and failing to apply libertarian theory to the most vital problem of our time: war and peace. There is a sense in which libertarians have been utopian rather than strategic in their thinking, with a tendency to divorce the ideal system which we envisage from the realities of the world in which we live. In short, too many of us have divorced theory from practice, and have then been content to hold the pure libertarian society as an abstract ideal for some remotely future time, while in the concrete world of today we follow unthinkingly the orthodox "conservative" line. To live liberty, to begin the hard but essential strategic struggle of changing the unsatisfactory world of today in the direction of our ideals, we must realize and demonstrate to the world that libertarian theory can be brought sharply to bear upon all of the world's crucial problems. By coming to grips with these problems, we can demonstrate that libertarianism is not just a beautiful ideal somewhere on cloud nine, but a tough-minded body of truths that enables us to take our stand and to cope with the whole host of issues of our day.

Let us then, by all means, use our strategic intelligence—although, when he sees the result, Mr. Buckley might well wish

that we had stayed in the realm of garbage collection. Let us construct a libertarian theory of war and peace.

The fundamental axiom of libertarian theory is that no one may threaten or commit violence ("aggress") against another man's person or property. Violence may be employed only against the man who commits such violence; that is, only defensively against the aggressive violence of another.[1] In short, no violence may be employed against a nonaggressor. Here is the fundamental rule from which can be deduced the entire corpus of libertarian theory.[2]

Let us set aside the more complex problem of the State for a while and consider simply relations between "private" individuals. Jones finds that he or his property is being invaded, aggressed against, by Smith. It is legitimate for Jones, as we have seen, to repel this invasion by defensive violence of his own. But now we come to a more knotty question: Is it within the right of Jones to commit violence against innocent third parties as a corollary to his legitimate defense against Smith? To the libertarian, the answer must be clearly no. Remember that the rule prohibiting violence against the persons or property of innocent men is absolute: it holds regardless of the subjective *motives* for the aggression. It is wrong and criminal to violate the property or person of another, even if one is a Robin Hood,

[1]There are some libertarians who would go even further and say that no one should employ violence even in defending himself against violence. However, even such Tolstoyans, or "absolutist pacifists," would concede the defender's right to employ defensive violence and would merely urge him not to exercise that right. They, therefore, do not disagree with our proposition. In the same way, a libertarian temperance advocate would not challenge a man's right to drink liquor, only his wisdom in exercising that right.

[2]We shall not attempt to justify this axiom here: Most libertarians and even conservatives are familiar with the rule and even defend it; the problem is not so much in arriving at the rule as in fearlessly and consistently pursuing its numerous and often astounding implications.

or starving, or is doing it to save one's relatives, or is defending oneself against a third man's attack. We may understand and sympathize with the motives in many of these cases and extreme situations. We may later mitigate the guilt if the criminal comes to trial for punishment, but we cannot evade the judgment that this aggression is still a criminal act, and one which the victim has every right to repel, by violence if necessary. In short, A aggresses against B because C is threatening, or aggressing against, A. We may understand C's "higher" culpability in this whole procedure, but we must still label this aggression as a criminal act which B has the right to repel by violence.

To be more concrete, if Jones finds that his property is being stolen by Smith, he has the right to repel him and try to catch him; but he has *no* right to repel him by bombing a building and murdering innocent people or to catch him by spraying machine gunfire into an innocent crowd. If he does this, he is as much (or more of) a criminal aggressor as Smith is.

The application to problems of war and peace is already becoming evident. For while war in the narrower sense is a conflict between States, in the broader sense we may define it as the outbreak of open violence between people or groups of people. If Smith and a group of his henchmen aggress against Jones, and Jones and his bodyguards pursue the Smith gang to their lair, we may cheer Jones on in his endeavor; and we, and others in society interested in repelling aggression, may contribute financially or personally to Jones's cause. But Jones has *no* right, any more than does Smith, to aggress against anyone else in the course of his "just war": to steal others' property in order to finance his pursuit, to conscript others into his posse by use of violence, or to kill others in the course of his struggle to capture the Smith forces. If Jones should do any of these things, he becomes a criminal as *fully* as Smith, and he too becomes subject to whatever sanctions are meted out against criminality. In fact, if Smith's crime was theft, and Jones should use conscription to catch him or should kill others in the pursuit, Jones becomes more of a criminal than Smith, for such

crimes against another person as enslavement and murder are surely far worse than theft. (For while theft injures the extension of another's personality, enslavement injures, and murder obliterates, that personality itself.)

Suppose that Jones, in the course of his "just war" against the ravages of Smith, should kill a few innocent people, and suppose that he should declaim, in defense of this murder, that he was simply acting on the slogan, "Give me liberty or give me death." The absurdity of this "defense" should be evident at once, for the issue is not whether Jones was willing to risk death personally in his defensive struggle against Smith; the issue is whether he was willing to kill other people in pursuit of his legitimate end. For Jones was in truth acting on the completely indefensible slogan: "Give me liberty or give them death"—surely a far less noble battle cry.[3]

The libertarian's basic attitude toward war must then be: It is legitimate to use violence against criminals in defense of one's rights of person and property; it is completely impermissible to violate the rights of *other* innocent people. War, then, is only proper when the exercise of violence is rigorously limited to the individual criminals. We may judge for ourselves how many wars or conflicts in history have met this criterion.

It has often been maintained, and especially by conservatives, that the development of the horrendous modern weapons of mass murder (nuclear weapons, rockets, germ warfare, etc.) is a difference only of *degree* rather than *kind* from the simpler weapons of an earlier era. Of course, one answer to this is that when the degree is the number of human lives, the difference is a very big one.[4] But another answer that the libertarian is

[3]Or, to bring up another famous antipacifist slogan, the question is not whether "we would be willing to use force to prevent the rape of our sister," but whether, to prevent that rape, we are willing to kill innocent people and perhaps even the sister herself.

[4]William Buckley and other conservatives have propounded the curious moral doctrine that it is no worse to kill millions than it is to

particularly equipped to give is that, while the bow and arrow and even the rifle can be pinpointed, if the will be there, against actual criminals, modern nuclear weapons cannot. Here is a crucial difference in kind. Of course, the bow and arrow could be used for aggressive purposes, but it could also be pinpointed to use only against aggressors. Nuclear weapons, even "conventional" aerial bombs, cannot be. These weapons are *ipso facto* engines of indiscriminate mass destruction. (The only exception would be the extremely rare case where a mass of people who were all criminals inhabited a vast geographical area.) We must, therefore, conclude that the use of nuclear or similar weapons, or the threat thereof, is a sin and a crime against humanity for which there can be no justification.

This is why the old cliché no longer holds that it is not the arms but the will to use them that is significant in judging matters of war and peace. For it is precisely the characteristic of modern weapons that they cannot be used selectively, cannot be used in a libertarian manner. Therefore, their very existence must be condemned, and nuclear disarmament becomes a good to be pursued for its own sake. And if we will indeed use our strategic intelligence, we will see that such disarmament is not only a good, but the highest political good that we can pursue in the modern world. For just as murder is a more heinous crime against another man than larceny, so mass murder—indeed, murder so widespread as to threaten human civilization and human survival itself—is the worst crime that any man could possibly commit. And that crime is now imminent. And the forestalling of massive annihilation is far more important, in truth, than the demunicipalization of garbage disposal, as worthwhile as that may be. Or are libertarians going to wax

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kill one man. The man who does either is, to be sure, a murderer; but surely it makes a huge difference how many people he kills. We may see this by phrasing the problem thus: after a man has already killed one person, does it make a difference whether he stops killing now or goes on a further rampage and kills many dozen more people? Obviously, it does.

properly indignant about price control or the income tax, and yet shrug their shoulders at, or even positively advocate, the ultimate crime of mass murder?

If nuclear warfare is totally illegitimate even for individuals defending themselves against criminal assault, how much more so is nuclear or even "conventional" warfare between States!

It is time now to bring the State into our discussion. The State is a group of people who have managed to acquire a virtual monopoly of the use of violence throughout a given territorial area. In particular, it has acquired a monopoly of *aggressive* violence, for States generally recognize the right of individuals to use violence (though not against States, of course) in self-defense.[5] The State then uses this monopoly to wield power over the inhabitants of the area and to enjoy the material fruits of that power. The State, then, is the only organization in society that regularly and openly obtains its monetary revenues by the use of aggressive violence; all other individuals and organizations (except if delegated that right by the State) can obtain wealth only by peaceful production and by voluntary exchange of their respective products. This use of violence to obtain its revenue (called "taxation") is the keystone of State power. Upon this base the State erects a further structure of power over the individuals in its territory, regulating them, penalizing critics, subsidizing favorites, etc. The State also takes care to arrogate to itself the compulsory monopoly of various critical services needed by society, thus keeping the people in dependence upon the State for key services, keeping control of the vital command posts in society and also fostering among the public

[5]Professor Robert L. Cunningham has defined the State as the institution with "a monopoly on initiating open physical coercion." Or, as Albert Jay Nock put it similarly if more caustically, "The State claims and exercises the monopoly of crime. . . . It forbids private murder, but itself organizes murder on a colossal scale. It punishes private theft, but itself lays unscrupulous hands on anything it wants."

the myth that *only* the State can supply these goods and services. Thus the State is careful to monopolize police and judicial service, the ownership of roads and streets, the supply of money, and the postal service, and effectively to monopolize or control education, public utilities, transportation, and radio and television.

Now, since the State arrogates to itself the monopoly of violence over a territorial area, so long as its depredations and extortions go unresisted, there is said to be "peace" in the area, since the only violence is one-way, directed by the State downward against the people. Open conflict within the area only breaks out in the case of "revolutions" in which people resist the use of State power against them. Both the quiet case of the State unresisted and the case of open revolution may be termed "vertical violence": violence of the State against its public or vice versa.

In the modern world, each land area is ruled over by a State organization, but there are a number of States scattered over the earth, each with a monopoly of violence over its own territory. No super-State exists with a monopoly of violence over the entire world; and so a state of "anarchy" exists between the several States. (It has always been a source of wonder, incidentally, to this writer how the same conservatives who denounce as lunatic any proposal for eliminating a monopoly of violence over a given territory and thus leaving private individuals without an overlord, should be equally insistent upon leaving *States* without an overlord to settle disputes between them. The former is always denounced as "crackpot anarchism"; the latter is hailed as preserving independence and "national sovereignty" from "world government.") And so, except for revolutions, which occur only sporadically, the open violence and two-sided conflict in the world takes place *between* two or more States, that is, in what is called "international war" (or "horizontal violence").

Now there are crucial and vital differences between inter-State warfare on the one hand and revolutions against the State or conflicts between private individuals on the other. One vital

difference is the shift in geography. In a revolution, the conflict takes place *within* the same geographical area: both the minions of the State and the revolutionaries inhabit the same territory. Inter-State warfare, on the other hand, takes place between two groups, each having a monopoly over its own geographical area; that is, it takes place between inhabitants of different territories. From this difference flow several important consequences: (1) In inter-State war the scope for the use of modern weapons of destruction is far greater. For if the "escalation" of weaponry in an intraterritorial conflict becomes too great, each side will blow itself up with the weapons directed against the other. Neither a revolutionary group nor a State combatting revolution, for example, can use nuclear weapons against the other. But, on the other hand, when the warring parties inhabit different territorial areas, the scope for modern weaponry becomes enormous, and the entire arsenal of mass devastation can come into play. A second consequence (2) is that while it is possible for revolutionaries to pinpoint their targets and confine them to their State enemies, and thus avoid aggressing against innocent people, pinpointing is far less possible in an inter-State war.[6] This is true even with older weapons; and, of course, with modern weapons there can be no pinpointing whatever. Furthermore, (3) since each State can mobilize all the people and resources in its territory, the other State comes to regard all the citizens of the opposing country as at least temporarily its enemies and to treat them accordingly by extending the war to them. Thus, all of the consequences of interterritorial war make it almost inevitable that inter-State war will involve aggression by each side against the innocent civilians—the private individuals—of the other. This inevitability becomes absolute with modern weapons of mass destruction.

[6]An outstanding example of pinpointing by revolutionaries was the invariable practice of the Irish Republican Army, in its later years, of making sure that only British troops and British government property were attacked and that no innocent Irish civilians were injured. A guerrilla revolution not supported by the bulk of the people, of course, is far more likely to aggress against civilians.

If one distinct attribute of inter-State war is interterritoriality, another unique attribute stems from the fact that each State lives by taxation over its subjects. Any war against another State, therefore, involves the increase and extension of taxation-aggression over its own people.[7] Conflicts between private individuals can be, and usually are, voluntarily waged and financed by the parties concerned. Revolutions can be, and often are, financed and fought by voluntary contributions of the public. But State wars can only be waged through aggression against the taxpayer.

All State wars, therefore, involve increased aggression against the State's own taxpayers, and almost all State wars (*all*, in modern warfare) involve the maximum aggression (murder) against the innocent civilians ruled by the enemy State. On the other hand, revolutions are generally financed voluntarily and may pinpoint their violence to the State rulers, and private conflicts may confine their violence to the actual criminals. The libertarian must, therefore, conclude that, while some revolutions and some private conflicts *may* be legitimate, State wars are always to be condemned.

Many libertarians object as follows: "While we too deplore the use of taxation for warfare, and the State's monopoly of defense service, we have to recognize that these conditions exist, and while they do, we must support the State in just wars of defense." The reply to this would go as follows: "Yes, as you say, unfortunately States exist, each having a monopoly of violence over its territorial area." What then should be the attitude of the libertarian toward conflicts between these States? The libertarian should say, in effect, to the State: "All right, you exist, but as long as you exist, at least confine your activities to

[7]If it be objected that a war could theoretically be financed solely by a State's lowering of nonwar expenditures, then the reply still holds that taxation remains greater than it could be without the war effect. Moreover, the purport of this article is that libertarians should be opposed to government expenditures whatever the field, war or nonwar.

the area which you monopolize." In short, the libertarian is interested in reducing as much as possible the area of State aggression against all private individuals. The only way to do this, in international affairs, is for the people of each country to pressure their own State to confine its activities to the area which it monopolizes and not to aggress against other State-monopolists. In short, the objective of the libertarian is to confine any existing State to as small a degree of invasion of person and property as possible. And this means the total avoidance of war. The people under each State should pressure "their" respective States not to attack one another, and, if a conflict should break out, to negotiate a peace or declare a cease-fire as quickly as physically possible.

Suppose further that we have that rarity—an unusually clear-cut case in which the State is actually trying to defend the property of one of its citizens. A citizen of country A travels or invests in country B, and then State B aggresses against his person or confiscates his property. Surely, our libertarian critic would argue, here is a clear-cut case where State A should threaten or commit war against State B in order to defend the property of "its" citizen. Since, the argument runs, the State has taken upon itself the monopoly of defense of its citizens, it then has the obligation to go to war on behalf of any citizen, and libertarians have an obligation to support this war as a just one.

But the point again is that each State has a monopoly of violence and, therefore, of defense only over its territorial area. It has no such monopoly; in fact, it has no power at all, over any other geographical area. Therefore, if an inhabitant of country A should move to or invest in country B, the libertarian must argue that he thereby takes his chances with the State-monopolist of country B, and it would be immoral and criminal for State A to tax people in country A and kill numerous innocents in country B in order to defend the property of the traveler or investor.[8]

[8]There is another consideration which applies rather to "domestic" defense within the State's territory: the less the State

It should also be pointed out that there is no defense against nuclear weapons (the only current "defense" is the threat of mutual annihilation) and, therefore, that the State *cannot* fulfill any sort of defense function so long as these weapons exist.

The libertarian objective, then, should be, regardless of the specific causes of any conflict, to pressure States not to launch wars against other States and, should a war break out, to pressure them to sue for peace and negotiate a cease-fire and peace treaty as quickly as physically possible. This objective, incidentally, is enshrined in the international law of the eighteenth and nineteenth centuries, that is, the ideal that no State could aggress against the territory of another—in short, the "peaceful coexistence" of States.[9]

Suppose, however, that despite libertarian opposition, war has begun and the warring States are not negotiating a peace. What, then, should be the libertarian position? Clearly, to reduce the scope of assault of innocent civilians as much as possible. Old-fashioned international law had two excellent devices for this: the "laws of war," and the "laws of neutrality" or "neutrals' rights." The laws of neutrality are designed to keep any war that breaks out confined to the warring States themselves, without aggression against the States or particularly the peoples of the other nations. Hence the importance of such ancient and now-forgotten American principles as "freedom

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can successfully defend the inhabitants of its area against attack by criminals, the more these inhabitants may come to learn the inefficiency of state operations, and the more they will turn to non-State methods of defense. Failure by the State to defend, therefore, has educative value for the public.

[9]The international law mentioned in this paper is the old-fashioned libertarian law as had voluntarily emerged in previous centuries and has nothing to do with the modern statist accretion of "collective security." Collective security forces a maximum escalation of every local war into a worldwide war—the precise reversal of the libertarian objective of reducing the scope of any war as much as possible.

of the seas" or severe limitations upon the rights of warring States to blockade neutral trade with the enemy country. In short, the libertarian tries to induce neutral States to *remain* neutral in any inter-State conflict and to induce the warring States to observe fully the rights of neutral citizens. The "laws of war" were designed to limit as much as possible the invasion by warring States of the rights of the civilians of the respective warring countries. As the British jurist F.J.P. Veale put it:

> The fundamental principle of this code was that hostilities between civilized peoples must be limited to the armed forces actually engaged. . . . It drew a distinction between combatants and noncombatants by laying down that the sole business of the combatants is to fight each other and, consequently, that noncombatants must be excluded from the scope of military operations.[10]

In the modified form of prohibiting the bombardment of all cities not in the front line, this rule held in western European wars in recent centuries until Britain launched the strategic bombing of civilians in World War II. Now, of course, the entire concept is scarcely remembered, the very nature of nuclear war resting on the annihilation of civilians.

In condemning all wars, regardless of motive, the libertarian knows that there may well be varying degrees of guilt among States for any specific war. But the overriding consideration for the libertarian is the condemnation of any State participation in war. Hence his policy is that of exerting pressure on all States not to start a war, to stop one that has begun, and to reduce the scope of any persisting war in injuring civilians of either side or no side.

A neglected corollary to the libertarian policy of peaceful coexistence of States is the rigorous abstention from any foreign aid; that is, a policy of nonintervention between States (=

[10]F.J.P. Veale, *Advance to Barbarism* (Appleton, Wis.: C.C. Nelson, 1953), p. 58.

"isolationism" = "neutralism"). For any aid given by State A to State B (1) increases tax aggression against the people of country A and (2) aggravates the suppression by State B of its own people. If there are any revolutionary groups in country B, then foreign aid intensifies this suppression all the more. Even foreign aid to a revolutionary group in B—more defensible because directed to a voluntary group opposing a State rather than a State oppressing the people—must be condemned as (at the very least) aggravating tax aggression at home.

Let us see how libertarian theory applies to the problem of *imperialism*, which may be defined as the aggression by State A over the people of country B, and the subsequent maintenance of this foreign rule. Revolution by the B people against the imperial rule of A is certainly legitimate, provided again that revolutionary fire be directed only against the rulers. It has often been maintained—even by Libertarians—that Western imperialism over undeveloped countries should be supported as more watchful of property rights than any successor native government would be. The first reply is that judging what might follow the *status quo* is purely speculative, whereas existing imperialist rule is all too real and culpable. Moreover, the libertarian here begins his focus at the wrong end—at the alleged benefit of imperialism to the native. He should, on the contrary, concentrate first on the Western taxpayer, who is mulcted and burdened to pay for the wars of conquest, and then for the maintenance of the imperial bureaucracy. On this ground alone, the libertarian must condemn imperialism.[11]

[11]Two other points about Western imperialism: First, its rule is not nearly so liberal or benevolent as many libertarians like to believe. The only property rights respected are those of the Europeans; the natives find their best lands stolen from them by the imperialists and their labor coerced by violence into working the vast landed estates acquired by this theft.

Second, another myth holds that the "gunboat diplomacy" of the turn of the century was a heroic libertarian action in defense of the property rights of Western investors in backward countries. Aside

Does opposition to all war mean that the libertarian can never countenance change—that he is consigning the world to a permanent freezing of unjust regimes? Certainly not. Suppose, for example, that the hypothetical state of "Waldavia" has attacked "Ruritania" and annexed the western part of the country. The western Ruritanians now long to be reunited with their Ruritanian brethren. How is this to be achieved? There is, of course, the route of peaceful negotiation between the two powers, but suppose that the Waldavian imperialists prove adamant. Or, libertarian Waldavians can put pressure on their government to abandon its conquest in the name of justice. But suppose that this, too, does not work. What then? We must still maintain the illegitimacy of Ruritania's mounting a war against Waldavia. The legitimate routes are (1) revolutionary uprisings by the oppressed western Ruritanian people, and (2) aid by private Ruritanian groups (or, for that matter, by friends of the Ruritanian cause in other countries) to the western rebels—either in the form of equipment or of volunteer personnel.[12]

We have seen throughout our discussion the crucial importance, in any present-day libertarian peace program, of the elimination of modern methods of mass annihilation. These weapons, against which there can be no defense, assure maximum aggression against civilians in any conflict with the clear

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from our above strictures against going beyond any State's monopolized land area, it is overlooked that the bulk of gunboat moves were in defense, not of private investments, but of Western holders of government bonds. The Western powers coerced the smaller governments into increasing tax aggression on their own people, in order to pay off foreign bondholders. By no stretch of the imagination was this an action on behalf of private property—quite the contrary.

[12]The Tolstoyan wing of the libertarian movement could urge the western Ruritanians to engage in nonviolent revolution, for example, tax strikes, boycotts, mass refusal to obey government orders or a general strike—especially in arms factories. See the work of the revolutionary Tolstoyan Bartelemy De Ligt, *The Conquest of Violence: An Essay on War and Revolution* (New York: Dutton, 1938).

prospect of the destruction of civilization and even of the human race itself. Highest priority on any libertarian agenda, therefore, must be pressure on all States to agree to general and complete disarmament down to police levels, with particular stress on nuclear disarmament. In short, if we are to use our strategic intelligence, we must conclude that the dismantling of the greatest menace that has ever confronted the life and liberty of the human race is indeed far more important than demunicipalizing the garbage service.

We cannot leave our topic without saying at least a word about the domestic tyranny that is the inevitable accompaniment of war. The great Randolph Bourne realized that "war is the health of the State."[13] It is in war that the State really comes into its own: swelling in power, in number, in pride, in absolute dominion over the economy and the society. Society becomes a herd, seeking to kill its alleged enemies, rooting out and suppressing all dissent from the official war effort, happily betraying truth for the supposed public interest. Society becomes an armed camp, with the values and the morale—as Albert Jay Nock once phrased it—of an "army on the march."

The root myth that enables the State to wax fat off war is the canard that war is a defense *by* the State *of* its subjects. The facts, of course, are precisely the reverse. For if war is the health of the State, it is also its greatest danger. A State can only "die" by defeat in war or by revolution. In war, therefore, the State frantically mobilizes the people to fight for *it* against another State, under the pretext that *it* is fighting for them. But all this should occasion no surprise; we see it in other walks of life. For which categories of crime does the State pursue and punish most intensely—those against private citizens or those against *itself*? The gravest crimes in the State's lexicon are almost invariably not invasions of person and property, but dangers to its *own* contentment: for example, treason, desertion of a soldier to the enemy, failure to register for the draft, conspiracy to

[13]See Randolph Bourne, "Unfinished Fragment on the State," in idem, *Untimely Papers* (New York: B.W. Huebsch, 1919).

overthrow the government. Murder is pursued haphazardly unless the victim be a *policeman*, or *Gott soll hüten*, an assassinated chief of state; failure to pay a private debt is, if anything, almost encouraged, but income tax evasion is punished with utmost severity; counterfeiting the State's money is pursued far more relentlessly than forging private checks, etc. All this evidence demonstrates that the State is far more interested in preserving its own power than in defending the rights of private citizens.

A final word about conscription: of all the ways in which war aggrandizes the State, this is perhaps the most flagrant and most despotic. But the most striking fact about conscription is the absurdity of the arguments put forward on its behalf. A man must be conscripted to defend his (or someone else's?) liberty against an evil State beyond the borders. Defend his liberty? How? By being coerced into an army whose very *raison d'etre* is the expunging of liberty, the trampling on all the liberties of the person, the calculated and brutal dehumanization of the soldier and his transformation into an efficient engine of murder at the whim of his "commanding officer"?[14] Can any conceivable foreign State do anything worse to him than what "his" army is now doing for his alleged benefit? Who is there, O Lord, to defend him against his "defenders"?

[14]To the old militarist taunt hurled against the pacifist, "Would you use force to prevent the rape of your sister?" the proper retort is: "Would you rape your sister if ordered to do so by your commanding officer?"

Section Two

Government Forms, War, and Strategy

3
Monarchy and War

Erik von Kuehnelt-Leddihn

> Modern history is nothing but an inventory of bankruptcy declarations.
>
> —*Nicolas Gomez Davila*

I

Monarchy is a form of government rarely well understood in North America. To many people in that part of the world, it seems by now a totally obsolete, childish institution. The surviving monarchies, after all, might still play a symbolic or even a psychological role, but not really a decisive political role. As a rationalist and as a liberal—in the worldwide and not in the American sense—I am also a monarchist, who realizes that, combined with Christianity and antiquity, monarchy was responsible for the rise and flowering of Western civilization, which by now is slowly assuming an almost global character penetrating the whole world.

Yet, modern man's mind is political rather than historical and is, therefore, hopelessly tied to the spirit of his time. The words of Goethe:

Wer nicht von dreitausend Jahren
sich weiss Rechenschaft zu geben
bleibt im Dunklen unerfahren
mag von Tag zu Tag er leben.

[He who cannot give account
of the last three thousand
years rests in darkness unexperienced
though he lives
from day to day.]

Such a person, intellectually nurtured by the boob tube and newspapers, would be greatly surprised to hear a British prime minister, Disraeli, saying:

> The tendency of an advanced civilization is in truth Monarchy. Monarchy is indeed a government which requires a high degree of civilization for its full development. . . . An educated nation recoils from the imperfect vicariate of what is called a representative government.[1]

Democracy is, after all, the oldest form of government where majorities rule over minorities. It is still today preserved by aborigines in various parts of the globe. You can find the names of the ethnologists who have studied this phenomenon in some of my books.[2] Democracy reappeared in a more civilized form in Athens, but when Socrates, in a truly political trial,[3] praised monarchy, he was condemned to death. Remember also that Madariaga said rightly that our civilization rests on the death of two persons: a philosopher and the Son of God, both victims of the popular will. No wonder that Plato, Socrates's follower, and Aristotle, Plato's disciple, were fierce monarchists and that the latter, when democracy returned to Athens, went into exile in order not to suffer the fate of Socrates. In accordance with these leading philosophers of antiquity, Thomas Aquinas maintained that democracy was the least bad of the three evil forms of government; ochlocracy and tyranny, he admitted, were even worse. Plato's thesis that democracy naturally evolves into tyranny was also adopted by Polybius, who believed in an *anakyklosis*, a natural circular evolutionary process from

[1]See Benjamin Disraeli, *Coningsby, or The New Generation* (London: Longmans, 1849), bk. 5, chap. 8.

[2]See Erik von Kuehnelt-Leddihn, *Liberty or Equality?* (Front Royal, Va.: Christendom Press, 1993), p. 314, n. 474.

[3]The political aspects of the death of Socrates can be found in the *Encyclopaedia Britannica*, in the 1911 as well as in the most recent edition. Other authors are mentioned in Erik von Kuehnelt-Leddihn, *Leftism Revisited* (Washington, D.C.: Regnery, 1989), p. 349, n. 47. Recently I.F. Stone, in his *The Trial of Socrates* (New York: Anchor Books, 1989), has dealt with the same subject from a leftist point of view. According to him, Socrates was some sort of "fascist."

monarchy into aristocracy, aristocracy into democracy, democracy into tyranny. Indeed, reading Plato's *Republic*, Books viii–ix, one gets an exact description of the transition from the Weimar Republic to National Socialist tyranny.

The historically conscious observer realizes not only that countries like Great Britain, Spain, or the Netherlands, which today are monarchies, went through republican periods. Greece and Mexico, today republics, had already twice been monarchies. Still, the most "educational" case is that of Rome. If we had the opportunity— given also our knowledge of history—to meet a Roman citizen in the sixtieth year before Christ and told him that his country soon would become a monarchy, he certainly would have reacted most vigorously, blaming us for totally ignoring the Roman tradition and mentality. Monarchy? A return to the authoritarianism of Tarquinius Superbus? Out of the question! Yet Caesar already loomed beyond the horizon. Now, if we had the chance to meet with one of his descendants in the year 260 after Christ and told him of his ancestor's indignation about our naïveté and arrogance, he certainly would have shrugged his shoulders. "Of course, he was right." "But in the meantime?" "In the meantime? We still are a republic. Look at signs everywhere saying SENATUS POPULUSQUE ROMANUS! A monarchy? As among Orientals and barbarians? Out of the question!" "But you have an Emperor!" "Haha! *Imperator* means general and there always have been generals in republics!" Yet a few years later, Diocletian, the *Imperator Augustus*, had a golden crown put on his head and demanded *proskynesis*, the kneeling approach to his person. Then even the most stupid Romans realized that the republic had gone the way of all flesh. Tacitus, indeed, had suspected it a long time before.

There are still outstanding thinkers who have a deep respect for the monarchical order, for rational as well as sentimental motives. Yet even the rationalist has to take the psychological factor into his calculations—or he would cease to be a realistic rationalist. As a matter of fact, the increasing democratization of Western civilization has fostered "monarchophile" thinking

although only on a rather high level. Thus it is not surprising that Theodor Herzl, founder of Zionism, had declared monarchy to be the best form of government, but since no descendants of David survived, the aristocratic constitution of Venice should be studied in the planning of a "Jewish State," whereas democracy, as the worst type of rule, was to be strictly avoided.[4] History is already telling us how right he was.

This introduction is necessary to understand the relationship between monarchy and war, monarchy and warfare, yet we are limiting ourselves here to the Christian monarchy in our civilization and not discussing some abstract form of monocracy. (Bear in mind that *arche* is not *kratos*.) We have indeed to remember the words of Nicolas Gomez Davila, that, without Christianity and antiquity as their background, Europeans would be nothing but palefaced barbarians.[5] Nor should we forget that war is a calamity to be avoided, one of many results of our imperfections due to Original Sin—even if soldiers, by and large, play a positive role in the New Testament. Many of our saints—from St. Francis to St. Ignatius—have fought in battles. Still, eliminating, or, at least, limiting, war should be one of the goals to be achieved historically in our time or in the future.

II

The First Enlightenment produced the French Revolution, the great historical revival of democracy, a sadistic sex orgy in

[4]See Theodor Herzl, "Der Judenstaat," in *Theodor Herzls zionistische Schriften* (Charlottenburg: Juedischer Verlag, n.d.), p. 119. The Romans investigated around the year 100 whether any descendants of King David were still alive, but found only two old men without issue. Needless to say, most Israelites saw in Jesus, not the son of a poor *oikodomos*, but a prince of royal blood and pretender to the throne of Israel!

[5]See Nicolas Gomez Davila, *Auf verlorenem Posten* (Vienna: Karolinger, 1992), p. 259, translated from the *Nuevos Escolios a un texto implicito* (Bogota: Nueva Biblioteca Colombiana, 1986).

which indeed the "Divine Marquis" played personally[6] and intellectually a leading role. It is not here the place to portray the revolution's unspeakable horrors, which to a broader public were revealed only in the years preceding its two hundredth anniversary in 1989.[7] But in order to explain its effects on wars and the methods of warfare, it is necessary to highlight its character and role in history. It wanted to bring liberty and equality under a common denominator, something Goethe considered only charlatans would promise.[8] Equality, indeed, could merely be established in some form of slavery—just as a hedge can only be kept even by constantly trimming it. In this perverse competition between liberty and equality, the latter naturally won out.

Robespierre, before being dragged to *notre chère mère la guillotine*, had planned to put all Frenchmen into one uniform and all Frenchwomen into another. He also wanted to eliminate

[6]The Marquis de Sade was held as a prisoner in the Bastille, a partly luxurious jail for criminal noblemen, until July 4, 1789, by a royal *lettre de cachet* upon the behest of his mother-in-law (largely for cruelties to his wife). At Bastille, he incited with a funnel the population in the quarter to liberate "innocent prisoners." The commander of the jail begged Louis XVI to liberate him from this burden, whereupon Sade was transferred to Charenton, a jail for the criminally insane. Ten days later, on July 14, the Bastille was stormed, Sade was released from Charenton and became eventually as "Citizen Brutus Sade" commander of a *Section des Piques* (some sort of democratic SS), a very active revolutionary, who boasted of the role he had played in the fall of the Bastille. No wonder he became a cult figure to the students in 1968. (See Gilbert Lely, *Vie du Marquis de Sade*, 2 vols. [Paris: Gallimard NFR, 1952 and 1957], vol. 1, p. 273.)

[7]See Reynald Secher, *Le genocide franco-francais* (Paris: Presses Universitaires de France, 1986). Most amazing was a factory in Pont-de-Cle where they manufactured book covers and riding breeches from the skins of butchered royalists.

[8]Goethe spoke about "*Phantasten und Charlatane*," be they legislators or revolutionaries. See his *Maximen und Reflexionen*, No. 955.

all church steeples as "undemocratic," since they were taller than all other buildings.[9]

The revival of democracy from antiquity, with its ideal of equality, was closely connected with "nationalism," a term understood by most Europeans as what in America might be called ethnicism (not to be confused with racism, which is not a linguistic-cultural but a biological concept). The basic drive we are alluding to is the craving for *sameness*, the twin of equality. (Whatever is the same is also equal, but not the other way around!) Differences after 1789 became suspect and were to be rejected, eradicated.

The traditional outlook of our culture, indeed, was vertical: God-Father in Heaven, the Holy Father in Rome, the king as the Father of the Fatherland, and the father as the king in the family. (In the lands of the Reformation, the monarch, not the pope, was the head of the Church.) Connected with the fathers figured the mothers—from the *Regina Coeli* down to the queens and the various matriarchs.

The new order now was increasingly flattened out until it became horizontal. Of course, not the people as such could rule, but the majority over the minority, and numbers assumed immense importance.[10] Even truth became a matter of majorities, and the bigger the majority, the "truer" the right answer. The ideal was the consent, the affirmation by the majority—

[9]See Crane Brinton, *The Jacobins* (New York: Macmillan, 1930). In Strassburg, preparations already were made to destroy the spires of the world-famous cathedral. In some villages, the "project" was already carried out. Since the Alsatians "did not speak the republican language" (i.e., French), plans were made to remedy this lack of "sameness." The proposals were (1) to take away their children, (2) to disperse the families evenly all over France, or (3) to guillotine them all. This account of Brinton, a Harvard professor, reads like a description of the Third Reich.

[10]In this sense, one has to understand the statement of Jorge Louis Borges: "*Yo descreo en la democracia porque es un abuso curioso de la estadistica.*"

finally achieving almost a totality.[11] Hence also the totalitarian root of democracy, which stands for the "politization" of the entire people. Even the children, although not voting, are now educated in that direction.

It is obvious that the new order could tolerate no estates, and soon, the demand arose to eliminate social differences based on wealth and income rather than only on birth. For this development, one did not have to wait for Karl Marx. In 1794, the popular ire also turned against the rich, and some already were guillotined just for that reason. Needless to say, the new horizontalism also conflicted with the Christian tradition, which emphatically does not stand for equality.[12]

In the French schoolbooks, one can read "*La terreur était terrible, mais grande*"—"the Terror was terrible, but grand"—which, in view of our bottomless human stupidity, one nice day one even might say about German National and Russian International Socialism. Most of our contemporaries assume that the victims of the guillotine were largely degenerate aristocrats[13] and that the final benefits of the revolution were

[11]In the German elections of 1932, about 98 percent went to the polls—very democratic, but how suicidal! The totalitarian powers later "produced" numbers approaching 100 percent, but they still loved—very democratically—to stage "plebiscites."

[12]It is most amazing that one encounters fairly well-educated Christians who believe that "we are all equal before God." If Judas Iskariot were equal to John the Baptist or John the Evangelist, Christianity could close shop. The Dominican R.L. Bruckberger said rightly that the New Testament is a message of human inequality (or could one imagine that, at the Day of Judgment, all sentences could be identical? that God would not "discriminate" between saints and sinners?).

[13]Of those condemned to death by the "courts" and usually guillotined, only 8 percent belonged to the nobility. Farmers represented the largest share—32 percent. We have no exact data about the number of victims in the big slaughters, above all in the Vendée, Brittany, Lyon, Toulon, Bordeaux and Marseilles. Mass slaughters also took

greater than the damages or losses the French suffered. Yet only a few years before the celebration of its 200th anniversary in 1989, a flood of well-documented books came out which tore the mask away from the face of that godless event. Already in 1986, the French Deputy Bernard Antony warned the European Parliament in Strassburg not to celebrate "1789," since it had bred National and International Socialism.[14] About that time came the revelations of François Furet, Simon Schama and, above all, of Reynald Secher, for whose terrifying volume Professor Jean Meyer wrote in his preface that the worst and most nauseating atrocities could not even be mentioned.[15] We are told that in this sadistic sex orgy, pregnant women were squeezed out in fruit- and winepresses, mothers and their children were slowly roasted to death in bakers' ovens, and women's genitals were filled with gun powder and brought to explosion. We cannot continue to dwell on these unspeakable horrors and should not be surprised that Sade was invoked in whose pornographic writings long passages are devoted to philosophical (and antireligious) reflections. *The infamies and cruelties of the French Revolution were of such a low nature that the National and International Socialists appear in comparison to these democrats as sheer humanitarians.* In the number of victims, however, they could not beat them, since the world has technically "progressed" after 1789 and now

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place in monasteries and convents. The estimates run between 120,000 and 250,000.

[14]Goebbels insisted that the German Revolution was a counterpart to the French Revolution. The Soviets renamed battleships they took over from the old regime "Danton" and "Marat."

[15]There were forerunners to the publications of Secher, Furet, and Schama, authors like Cabanes and Nass and Jacques Cretineau-Joly, who told us how the genitals of the Princess de Lamballe were carried in triumph through the streets of Paris and of how a cook's apprentice after the storming of the Tuileries was covered with butter and roasted alive. The enthusiasm for equality had frightening consequences.

offers greater possibilities for mass murder. The 1989 celebrations of the French Revolution concentrated unilaterally on the "Declaration of Human Rights" (in the shadow of the guillotine!) and did not even mention the fall of the Bastille with its most unsavory details.[16]

The invention of the guillotine was psychologically a step in the "new direction:" *the mechanization of swift murder.* Yet the French Revolution left behind something much worse than the guillotine because it was permanent: the radical change in the nature of wars which made this human calamity more extensive and intensive: *la levée des masses,* conscription.

III

The social pyramid in the new horizontalism was now upturned and quantity, not quality had its day. Everybody had the same rights—a truly microscopic share in decisions, effective only *if* it contributed to a majority—and also the same obligations. One could vote for a representative, but, in turn, a male had the duty to defend his country (or to participate in its aggressions), which might mean drudgery in barracks, captivity, wounds, mutilation, or even death—indeed, a very bad deal. The draftee almost ceased to be a real person as he was dragged out of his privacy and became an "individual," a term which really means only the last indivisible part of a collective whole.[17] Hyppolite Taine described the results of this return to the stage of primitive tribes with these ringing words, taken from his *Origines de la France contemporaine:*

[16]The defenders of the Bastille were invalids and some Swiss mercenaries. They had been promised freedom, if they surrendered. Yet the mob killed without pity, and a young butcher *qui savait faire les viandes* was fetched to sever the head of Governor de Launay. The seven minor criminals were set free.

[17]The word "person" comes from the Etruscan *phersu*, the mask which actors had to wear, determining their (intransferrable) role on the stage. (It is significant that *individu* is in French a term of abuse.)

> One puts in the hands of each adult a ballot, but on the back of each a soldier a knapsack: with what promises of massacre and bankruptcy for the Twentieth Century, with what exasperation of ill will and distrust, with what loss of wholesome effort, by what a perversion of productive discoveries, accompanied by what an improvement in the means of destruction, by what recoil toward the inferior and unhealthy forms of the old combative societies, by what a backward step toward egoistic and brutal instincts, toward the sentiments, manner and morality of ancient cities and barbaric tribes, we know all too well.[18]

One of the most immediate and degrading consequences of the general military service in the time of war was the "indoctrination" of the draftee. They were in their vast majority innocent and largely even unwilling civilians whose enthusiasm for fighting and killing was very limited. So they were taught to hate the enemy, degraded to the impersonation of wickedness, ugliness, and devoid of all virtue. This had been different in previous ages, when soldiers were men—gentlemen as well as ruffians—who loved to fight and offered their services to anybody who led and paid them well. Prince Eugene of Savoy had vainly offered his services to France, but ended up as the glorious military hero of the Habsburgs. The same happened finally to Baron Gideon Loudon (Laudon), born in Livonia but of Scottish origin, whose father was an officer in the Swedish services. Loudon, however, served first in the Russian army, then offered his experience to Frederick II of Prussia; yet, rebuffed by him, Loudon joined the largely Austrian army of the holy Roman emperor—and defeated Frederick in battle. Such switches were rare in my own time, but not unheard of.[19]

[18]Cited in Hoffman Nickerson, *The Armed Horde, 1793–1939* (New York: Putnam, 1940).

[19]Bismarck, who was Prussian ambassador in St. Petersburg, was offered by Nicholas I a Russian career, which he rejected. Yet the

Since right into the middle of the nineteenth century the vast majority of the "recruits" had only a very scant education—mass illiteracy prevailed for generations—they had to serve a long time in the army, frequently three, sometimes four years. Those who had bachelor's degrees (age group 18 to 19 years) served only one year, and received commissions and became reserve officers. The idea was to have trained soldiers under arms as well as in a reserve capacity, periodically called to maneuvers. The loss of time for all was considerable.

Yet if one major power adopted that system it literally forced other countries (on the same continent), in order not to be outnumbered, to do exactly the same. And since the European monarchies in Europe had painfully experienced the numerical superiority of the French armies in the Napoleonic wars and—as "constitutional" monarchies—were drifting into the democratic cauldron, they too now were victims of a phenomenon called "militarism," resulting in the "Armed Horde." England, relying on its "splendid isolation," was an exception from the rule, but the United States, politically already a victim of the "French School," drafted in the War Between the States not only its citizens, but even the foreigners on its soil. Although these could not vote, they earned money, and thus, cash was redeemed by blood. Voluntary military service is a different matter. On a lower level, it might rely on the desire to fight;[20] on a higher one, on the fascination of army life;[21] on

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Portuguese ambassador in Berlin, Count Joaquin Oriola, transferred to Prussian civil service. It was perfectly all right to choose one's employer inside or outside of one's own country.

[20]See Nickerson, *Armed Horde.* p. 15.

[21]The Irish in New York revolted against this (draft) regulation. Popular indignation turned against them, as embodiments of "Rum, Romanism, and Rebellion." Still, in 1935, I met in London an Englishman who had served in the Prussian army in World War I. As his father was lying permanently ill in a German sanitarium, he lived with him before World War I. His boyish "dream" was to become either an actor or a Prussian officer. The father rejected both careers,

the highest, on the wish to defend one's country or bring to life a great ideal.[22]

In the book from which we quoted Taine, the American author Hoffman Nickerson wrote:

> During the last century and a half civilization has recreated the armed horde. Previously a rarity, it has become the accepted instrument of any great military effort. It has not however come alone. Exactly a hundred fifty years ago in 1789—shortly after the United States had sought to protect themselves against democracy by their Federal Constitution—the French Revolution began. From that time to our day democratic ideas have come to dominate politics just as the mass army has dominated war. It is the thesis of this book that the two are inseparably connected with each other and with a third thing, barbarism.[23]

IV

The nineteenth century compromise of monarchy with democracy was also symbolized by the fact that the monarchs appeared in military uniforms and figured prominently as heads of the army. The horizontal-identitarian order assumed an increasingly "national" (ethnic) character and the general tendency was toward the ethnically unified state. We were faced by

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but they found out that a foreigner could be accepted by the Prussian army. So he became its officer and served William II faithfully after the war broke out, but only on the Eastern front. In August 1914, he considered his army oath he had solemnly given weightier than his nationality. Yet he despised the Nazis, and under great difficulties, he worked his way back to Britain without being tried for treason.

[22]In the Spanish Civil War, there were idealistic volunteers from foreign countries on both sides—communists, socialists, and democrats. Among the "Nationalists," I encountered French and Irish.

[23]See Nickerson, *Armed Horde*, p. 14.

"Pan-Germanism," by "Pan-Italianism" (the *Risorgimento* movement), even by "Pan-Slavism," which transcended the "minor" ethnic boundaries.[24] Hand in hand with this evolution, we see in the German-speaking and Slavic areas the rise of collective gymnastic movements, cultivating a violent nationalistic spirit and manifesting themselves in gigantic "synchronized" performances.[25] This physical training also implied a paramilitary aim to impress the public with numbers.[26] Here we have undoubtedly one of the psychological roots of national socialism. The Communists, too, loved synchronized uniformed mass performances. Horizontalism asserted itself visually.

This is part of the nineteenth century's still "mixed" transformation. Needless to say that the new ideal, the ethnically

[24]During the celebration of the three-hundredth anniversary of the Reformation in Wittenberg Castle, the Pan-Germanist students added the red color of the revolution to the black-golden Imperial flag. Yet there the Lutheran minister Jan Kollar, a Slovak from Hungary, conceived the idea of Pan-Slavism.

[25]Friedrich Ludwig Jahn spent a few years in a fortress (an honorable prison) as a "demagogue." He visited Paris in 1814, dressed in an "Old Germanic" fantasy costume, and pushed passersby from the sidewalks, finally climbed the Arc de Triomph, and tried to wrestle the tuba from the hands of the angel. He luckily failed. Miroslav Tyrs (Tiersch) founded the radically anti-Habsburg and anti-German *Sokol* (Falcon) gymnastic movement, patterned after Jahn's *Turnerbund.* The crowds adore masses in motion.

[26]In democracies, worshipping numbers, smallness is seemingly a great handicap. Jacob Burckhardt told us already in 1866 that

> The despair in everything small is a serious evil in every respect. He who does not belong to a nation of thirty millions cries: "Help us, oh Lord, we are drowning!" The philistine wants to eat from a big kettle with diabolical determination or it does not taste well to him.

See Emil Duerr, *Freiheit und Macht bei Jacob Burckhardt* (Basel: Helbing and Lichtental, 1918). Here are some of the roots of Pan-Slavism and Pan-Germanism.

uniform state, is more in harmony with "militarization" than the ethnically mixed state—and also for the development of parliamentary institutions. Mark Twain has given us an account of parliamentary life in Vienna,[27] and John Stuart Mill has insisted that democracy is problematic in a multilingual state[28]—no wonder, since totalitarian institutions need linguistic uniformity. Added to this is the fact that the ethnic majority, through its party (or parties), seeks to rule democratically, but not in a liberal way, over the minorities. (Multilinguality in a parliament as well as in an army creates enormous difficulties.) Hence also the hostility of the French Revolution toward the use of non-French languages in the Republic. The rise of democracy and of ethnic nationalism went in synchro-mesh. These two "horizontal" mass movements easily combined in the name of the *demos.* It is significant that the armed forces of the red "German Democratic Republic" were the conscripted and ideologically drilled *National Volksarmee,* the "National People's Army," in whose name the term "people" appears in two forms. Yet when the monarchist nobleman Charles de Gaulle proposed to the Socialist Leon Blum to transform the French Army into an *armée du métier,* a purely professional army consisting of volunteers, his plan (as a rightist undemocratic trick) was immediately rejected. Such an army could be easily mobilized against the dear people and might develop an *esprit de corps*, which would be fully "undemocratic."

[27]Mark Twain described the hopeless situation in the Austrian Parliament which he visited in 1897. His "Traveller's Record" appeared periodically in *Harper's Magazine.*

[28]John Stuart Mill declared it very simply: "Free institutions are next to impossible in a country made up of different nationalities." *Considerations on Representative Government* (New York, 1882), p. 310. Switzerland is very much an exception to the rule as the Swiss feel an overpowering Helvetic loyalty far above their ethnicities.

V

We spoke already about the "indoctrination" of draftees which, naturally, becomes very important in a time of war. An even greater evil is the fact that, since the recruits are taken from the population at large, the *people itself* has to be indoctrinated, in other words, made to hate the enemy collectively. For this purpose governments invoke in modern times the support of the mass media, which will inform the people about the evil of the enemy—with little or no regard to the truth. The attack will be launched in three directions: stressing the wickedness and inferiority of the hostile nation and the evil deeds committed by its armed forces, who consist of cowards, a low breed recruited from a fiendish people.

In World War I, the Western Allies, being more democratic, were also more skilled in organizing collective hatreds. Taking advantage of the stupidity of the masses (everywhere!), they could print almost anything and even the silliest accounts were readily believed, for instance, that German soldiers cut off the hands of Belgian babies. A Dutchman, Louis Raemaekers, produced in the service of the Allies incredibly nauseating etchings, depicting atrocities committed by the German armies. One of the worst showed a naked French girl crucified and spat upon by bespectacled, unshaven German soldiers. Nothing like it was manufactured by the Central Powers.[29] Georges Bernanos

[29]There were also some hate-expressions current among the people of the Central Powers, like the hate-poem of Ernst Lissauer. Slogans like *Gott strafe England*! (God punish England!) and *Serbien muss sterbien*! (Serbia must die!) were frequently repeated, but nobody invented such nonsense as calling sauerkraut "liberty cabbage" or German shepherd dogs "Alsatians." In England, people even burned German pianos and put badger dogs to sleep to prevent them from being tortured by children. In the United States, people stopped teaching German. Those who taught German enjoyed a sabbatical and then taught Spanish! My father (1879–1952), very much a gentleman of the old school, considered national hatreds the zenith of vulgarity.

described in a memorable book the idiocies of French war propaganda in that period. According to Bernanos, the French were told that the German bodies on the battlefield emitted a worse stench than those of the French, and that the Germans were ridiculous cowards and did not even dare to interrupt the cozy life of the French *poilus* in their trenches. It was deceitful propaganda of the worst kind.[30] (Yet, during the French mutinies in 1917, whole battalions were "decimated," i.e., every 10th man executed. So the war was not so entertaining or cozy at all.)

Naturally, World War I was no longer a cabinet-war between monarchs, but already what the Germans called a *Völkerringen*, a war between nations, at least up to 1917, when the Russian monarchy fell and made America's entry politically feasible. Then it became an ideological crusade "to make the world safe for democracy," as we had experienced already at the end of the eighteenth century, when France challenged Europe ideologically. It was interesting to see how the "tensions" were different on the two fronts—East and West. In the East, it was still until 1917 a fight among three emperors, and this was the reason why the old style there somehow survived and continued on a higher level. It was still a war between gentlemen,[31] a fact

[30]See Georges Bernanos, *La grande peur des bien-pensants* (Paris: Grasset, 1949), pp. 414–18. Bernanos, a devout Catholic and monarchist, characterized World War I (in which he had participated as a soldier): "That famous, pitiless war of the pacifist and humanitarian democracies."

[31]Aviators in the West, who frequently engaged in personal duels in the sky, were still fighting a gentlemen's war. Fritz Reck-Malleczewen (who died in the Dachau concentration camp) described the despair of a German uhlan piercing to death a Russian horseman with his lance. Weeping, he knelt before the dying man, who forgave him. Solzhenitsyn, on the other hand, mentioned cossacks who happened to venture upon a car with German generals without molesting them. "This was just an accident. It was not planned!" they explained afterward. When the Austrians reconquered Lemberg (Lwow), they found in an apartment deserted by the Russian occupants a list of damaged objects and the money to cover the repair.

evident not only at the front, but even in the homelands. In Russia, craftsmen and tradesmen among the prisoners were often released, and, until the Bolsheviks took over, they earned money very nicely. "Enemy aliens" were jailed in Britain, France, Italy, and Germany, but not in Austria.[32] My family lived for half a year in an Austrian prison camp, where my father installed and ran an X-ray station, and we children loved the (mostly Russian) prisoners with whom we played. (They taught us the Cyrillic alphabet.) Then we lived nearly two years in Baden near Vienna, the headquarters of the Austro-Hungarian army, where I sported a British sailor's suit with a ribbon on my cap inscribed "H.M.S. Renown." We also had a French governess and spoke French with her in the streets. *Mutatis mutandis* something of the sort would have been unthinkable in the more "progressive" (and therefore more debased) West. After the fall of our great fortress Przemyst (it was starved into surrender), the Russian officers invited their Austro-Hungarian colleagues to a banquet, where they toasted each other. I know of an Austrian officer who, made a prisoner, handed to the Russians his calling card.[33] I had fun once after a lecture in

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This was different in World War II. By that time, the majority of the Soviet soldiers were literate, had "progressed," were "enlightened," and behaved worse than gorillas—more than 2 million cases of rape, also in liberated areas!

[32]On the treatment and the concept of "enemy aliens," see Arnold J. Toynbee, *A Study of History* (London: Oxford University Press, 1939), vol. 4, pp. 160–62. This organized hatred against "enemy aliens" also led to mob hostilities. Thus the "patriotic" *canaille* of St. Petersburg burnt down the German Embassy after the outbreak of World War I, but more or less the same people, about three years later, were instrumental in staging the Bolshevik revolution, the "Red October."

[33]Of gentlemen in that war, one got a good account in the film *La grande illusion* with Stroheim and Gabin (1937). The title of the film was most fitting in the light of the events which took place after September 1, 1939. This film, showing French airmen downed by

America during a debate. A professor, a real leftist jerk with long hair, dark glasses, and jeans, complained that he could not understand my term "a gentlemen's war." "Of course, you couldn't," was my reaction. One can imagine the hilarity of the students.

VI

A war between entire nations developing into an ideological crusade—the word "crusade" has near-religious implications—was bound to assume total and totalitarian features. Anatole France realized this very well.[34] The "totalitarians" could kindle the fervor of their soldiers more easily, because they operated in a highly authoritarian framework. (This also explains why the German army fought for well over two years—1942–1945—in a

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Germans and hosted by them afterward, reminds us of Caulaincourt's story about a Baron Wintzigerode who, dressed in a long cloak over his Russian uniform, interrogated a French soldier standing guard in front of a camp near Moscow in 1812. Stopped and arrested by a French officer, he was brought before Napoleon, who discovered that he was a subject of his brother Jerome, king of Westphalia. The upstart Corsican lost his temper, menaced Wintzigerode with execution as a spy, and wanted to attack the arrogant baron physically, but the French officers held him back and, ashamed about their sovereign's bad behavior, invited Wintzigerode to dinner in the officers' mess. See *Memoires du General de Caulaincourt, Duc de Vicence* (Paris: Plon, 1933), part 1, p. 100.

[34]After Ribot, France's foreign minister, and, above all, Clemenceau had torpedoed the peace efforts of Emperor Charles of Austria, Anatole France remarked: "A King of France, yes, a King would have taken pity on our poor people, bled white, attenuated, at the end of their strength. But democracy is without heart, without bowels. A slave of the powers of money, it is pitiless and inhumane." See Sir Charles Petrie, *Twenty Years Armistice and After* (London: Eyre and Spottiswoode), p. 12. René Schickele, in his *Die Grenze* (Berlin: Rowohlt, 1932), p. 145–46, told us that Clemenceau menaced Anatole France with jail if he were to publish a single line about his reactions to the war!

hopelessly defensive rear action.) Yet the hate propaganda of the "democracies" was partly very successful. Thus (mixed with racist motives), the United States decided to put the West Coast's entire foreign as well as American population of Japanese ancestry in concentration camps (which the British had invented during the Boer War). There were among them U.S. citizens with only one Japanese grandparent, looking like "Caucasians," and not speaking a word of Japanese.[35] And after the final mass surrender of German soldiers in May 1945, they were not treated as ordinary war prisoners protected by the Hague Convention, but as DEF ("Disarmed Enemy Forces") and were dealt with miserably. They were starved and suffered enormous losses—possibly even a million.[36] Indignation about the German concentration camps, however, played only a minor role in this "policy," because the facts were largely not believed. People remembered the lies spread about the Germans during World War I.[37]

[35]See Carey MacWilliams, "Moving the West-Coast Japanese," in *Harper's Magazine*, September 1942. Their fully "Caucasian" spouses usually went with them. Of the far-more-exposed Hawaiian population, one third was Japanese, but they were not "concentrated," since the "Sons of the Golden West" were not active on these islands. However, there was not a single case of espionage among the "American Japanese," and the most heavily decorated American battalion consisted of Hawaiian "Japanese." They paraded in New York.

[36]See James Bacque, *Other Losses* (Toronto: Stoddard, 1989). Germany complained that 1.7 million prisoners had not been returned after the war. It is true that the Third Reich starved to death many Russian prisoners. German prisoners starved in Russia, but on their trip home, those who returned were often implored for food by the hungry population.

[37]In November 1945, people were interviewed on a street corner in Detroit about their reactions to the horrors of the German concentration camps. Ninety percent were convinced that all films about them had been "staged" and reminded the interviewers of the fake propaganda stories of World War I—Belgian babies with their hands cut off! As Cicero said in his *De divinatione*: "We do not believe a liar, even if he speaks the truth."

Upon entering the Age of the Armed Horde, wars inevitably took on new forms and another character. The idea was no longer to outmaneuver the enemy and just to win battles, but—since this was a war between peoples and ideologies—to kill as many enemies as possible, whereby wars assumed an "exterminatory" character. The mercenaries of the past belonged to different nationalities and, once they "signed up," could be employed for different reasons and operations by their employer or even "traded" in to another one. He who sells himself can also be sold to somebody else.[38]

Since wars had evolved very democratically from clashes between crowned heads to conflicts between masses of people, entire nations became collectively enemies of other nations. Therefore, wars could at long last be waged against civilians, not only against beleaguered cities, but against entire populations—men, women, and children. And since technology had progressed, it now had become possible to attack the hinterland of the enemy: villages and cities. Aviation had done the trick.

The French, pioneers in aviation, made a beginning in World War I by bombing a Corpus Christi procession in Karlsruhe and killing children, but the Germans followed up and dropped bombs from their Zeppelins on British cities and fired artillery missiles from a very long distance (80 miles) on Paris. Frenchmen had to die, regardless of age and sex. And this seemed all right. Europe had fallen as low as all that.

Curiously enough, it was the Third Reich (although planning aggressive wars) which desired to ban aerial warfare except on well-defined battlefronts. In 1935, the Germans, wanting a pact outlawing war on civilians in the hinterland, suggested this to Great Britain, which at that time had a Labour government.

[38]The Grand Duke of Hesse did not "sell" his own subjects in armed formation to the British during the American War of Liberation; these men were *mercenaries* from all sorts of nations, who had signed up voluntarily for his army.

However, the offer for such a pact was turned down on the ground that all efforts to humanize war would make wars more acceptable and would thus be a blow to the noble cause of pacifism. Actually, all important British authors confirm the thesis that in World War II the aerial warfare *à outrance* was started, willed, and perfected by the democracies, not by the National Socialists. German attacks outside of the actual war zone were always retaliations. Some British authors merely shamefacedly admitted this fact; others boasted of it.[39] Above all, Mr. Churchill.[40]

General J.F.C. Fuller stated rightly that "it was Mr. Churchill who lit the fuse which detonated a war of devastation and terrorization unrivaled since the invasion of the Seldjuks."[41] It

[39]The German army was about to conquer Rotterdam and Warsaw when the *Luftwaffe* attacked these cities. The Bombardment of Coventry was a retaliation for the bombardment of Berlin. Basil Liddell-Hart insisted that the Germans had regarded the proposed (but rejected) airpact as in force, but the allies always renewed their bombardments. See Basil Liddell-Hart, "War Limited," in *Harper's Magazine* (March 1946), pp. 198–99. The British principal assistant to the Air Ministry defended in two publications the policy of destroying the enemy's economy and incidentally killing entire sectors of the population. See J.M. Spaight, *The Battle of Britain* (London: Geoffrey Bles, 1941) and *Bombing Vindicated* (London: Geoffrey Bles, 1944). Churchill, in his *The Second World War,* 6 vols. (Boston: Houghton-Mifflin, 1948), vol. 2, pp. 565, 567, admitted to having plans for the buildup of an enormous air force abroad beyond the German reach and thus to crush the Third Reich. Its human losses in the air war as compared to those of the British were about one to 10.

[40]As a matter of fact, two German pilots were demoted because, in the early stage of the war, they had dropped bombs on London's East End and not on military targets. Actually, the RAF had advised against attacking Berlin or other German cities, but Churchill opposed this idea. See Phillip Knightley, *The First Casualty* (New York: Harcourt, Brace, 1975), pp. 237–38.

[41]See General J.F.C. Fuller, *The Second World War, 1935–1945* (New York: Duell, Sloane and Pearce, 1949), pp. 22–23.

reached its all-time high with the destruction of Dresden, the German Florence, with a loss of 204,000 lives[42] and the annihilation of Hiroshima and Nagasaki.[43] Although the Japanese had twice desperately asked for armistice conditions—in April 1945 through the Vatican and in July via Moscow—the answer was only the infamous and idiotic "unconditional surrender" formula. (The American people knew nothing about this, and during that period, not only thousands of Japanese died in vain but also innumerable American "boys.") The hatred generated by propaganda heated up the horizontal-collective mentality to such a degree that the war in the Pacific assumed, in the words of American Socialist leader Norman Thomas, the character of a militarily organized race riot.

The racist aspect of that war received a very concrete expression in a memorable incident: an American soldier sent President Roosevelt a paper-knife, made of the thighbone of a Japanese soldier killed in action. The president wrote him a letter of thanks and expressed his hope to get more such presents. This piece of news reached the Japanese, whereupon Ken Harada, Japanese ambassador at the Vatican, decided to protest via Roman channels. The president then changed his mind and promised to give his paper-knife a dignified burial. Could one imagine one of the crowned heads of Europe engaged in a similar "incident"?

[42]See David Irving, *The Destruction of Dresden* (London: William Kimber, 1963). The city was chockful with refugees from the East. The interesting question is, how many non-German slave-workers, citizens of Allied countries, were killed in that raid, surely at least 5,000. It was ordered by Churchill, perhaps to impress the Russians at Yalta. In February 1945, the war was practically lost by the Germans.

[43]Nagasaki was even harder hit than Hiroshima. It was the cradle of the Catholic Church in Japan and had the tallest cathedral in the Far East. The cathedral was filled with worshippers on that day, when "Fat Boy" was dropped a few hundred yards from it, killing about 8 percent of Japan's Catholic population in the suburb of Urakami. They had survived 265 years in the "underground" before they were wiped out by the minions of Harry S. Truman.

Francis Joseph using a thighbone of a Prussian grenadier as a paper-knife? Or Queen Victoria in such a delicate way the key-bone of a Boer sharpshooter? Only a paramount chief on the Upper Ubangi might have acted similarly.

An even graver evidence of sheer gorillism appeared in the bombing of a Gestapo center in the Hague that killed 800 Dutch, or, even worse, the "carpet-bombing" of Le Havre just prior to its liberation but after the evacuation by the Germans, with more than 3,500 victims. De Gaulle in London was outraged, but the British-American Allies justified themselves saying: "We really thought that the Gerries were still in the city!" Thereupon de Gaulle really hit the ceiling. Butchering 3,500 Frenchmen just to get a few Germans![44] He went to Le Havre for their burial, heading the cortege with the clergy.

Nor was there any respect for the cultural treasures of the Old World. In World War I, the Germans were accused of having shelled Reims Cathedral (with the excuse that observers were hidden in the spire) and having willfully burned down parts of Louvain-Leuwen because civilians had fired on their troops. But World War II was far more "progressive," which means that Europe and North America had declined for the last 200 years under "populist" rule and had reached the cultural and ethical level of Dahomey's Glegle or Uganda's Idi Amin Dada.[45] The raids over Germany were called "Baedecker-Raids" because, fearing for their safety, the Allied planes flew very high and emptied their freight more or less in the historic centers of the cities, destroying the most beautiful buildings

[44]See Ann O'Hare McCormick in *The New York Times*, October 9, 1944. Over 1,500 people were also wounded or permanently mutilated—a real carnage.

[45]See the article "Dahomey" in the 1911 edition (the 11th) of the *Encyclopaedia Britannica*, and Henry Kyemba, *State of Blood* (London: Corgi Books, 1977). Idi Amin also "lectured" at the U.N. in New York, but practiced "gastronomic democracy," convinced that human flesh had a "lovely salty flavor." (Kyemba was one of his former ministers.)

whereas the industrial war production had suffered astonishingly little. So the hearts of Frankfurt, Munich, Nuremberg, Hamburg, and Bremen were all in shambles, but not the industrial establishments surrounding them. (Some Allied spokesmen explained that one wanted to "hit" the workers' dwellings while others thought that annihilating German "*Kultur*" destroyed Nazi arrogance!) Yet that blood orgy contributed very little to Allied victory. IG-Farben and other big enterprises functioned to the bitter end.

One of the worst and most idiotic feats was the destruction of the ancient monastery of Monte Cassino in Italy by the American army. The Allies had been informed that there were no German troops inside. Since the building remained intact, a hue and cry was raised in the United States that to spare the monastery would mean to be yielding to "Roman Catholic interests" at the cost of American lives. "Our boys" would have to die just to please the pope! Finally the military yielded in order to bolster the "home front." The *vox populi* should not be thwarted, and a political, not a military, decision was made—the old building went down in fire and ashes. Thereupon it became safe for the Germans to occupy the ruins, whereas to defend a huge solidly structured building under artillery fire would have been suicidal. Now the American soldiers faced an enemy much better entrenched and protected by the rocks of the destroyed abbey. No falling walls could bury them. The Allied losses became now much bigger. And so were those of the poor betrayed Poles who had to fight with them, but "public opinion" was satisfied: the war was fought democratically.[46]

[46]My father-in-law's chauffeur served as a German soldier at Monte Cassino and told me that he and his companions thought the Americans had gone out of their minds. There was not a single German soldier in the building. The rubble was ideal for defense. Nor could the American Army fight the Vietnam War in a purely military way, but had often to make its moves in synchromesh with a fabricated public opinion. (I was over there five times, hosted by the American Army, and know what I am talking about.)

Yet what did some of the American soldiers think of the frequently irreparable losses of architectural beauty? An officer stationed near Benevento, asked whether he had any misgivings, replied to an American journalist: "There's nothing what can be done about it—Italy is just lousy with clerical monuments."

Most unfortunately, World War II had also another fatal aspect: the *resistance movement*, enthusiastically applauded by the "public" of the Western Alliance. An exception has to be made for the Polish *Armia Kraiowa*, as well for Jewish fighters, because the national like the international socialists wanted to deprive them of their upper classes or to exterminate them altogether.[47] With no legal armies for their defense, they had the moral right to fight in order to protect their very existence.[48] Yet, as in other countries, the occupying army had no other means to combat these sly attackers but to take hostages and shoot them. Nations not completely democratized did not engage in such activities, and only too often "Resisters" were former collaborators who, sensing that the Third Reich was a sinking ship, changed sides.[49] Obviously, the French *Resistance*

[47]The two socialisms tried jointly to exterminate the Polish top layers. The Russians admitted 15,000 butchered in Katyn and elsewhere. In Auschwitz, one can see barrack after barrack with the photos of Polish victims. The camp was first designed to exterminate Poles; the Hebrew flood came in full force only by 1941.

[48]The same holds true for the battle over the Warsaw Ghetto. There had been no peace or armistice between Germany and Poland, nor a declared war between Germany and Czechoslovakia.

[49]According to the *Goebbels Diaries* (New York: Doubleday, 1948), the cooperation between the Czech industry and working class with the occupants was perfect. Then the Germans walked into the trap laid by the Czech government in exile, which organized the assassination of Heydrich, and they retaliated with the destruction of Lidice. After the war, the Germans of Bohemia-Moravia, even before being expelled, suffered atrociously—more often than not at the hands of former collaborators who now proved their "patriotism" by torturing helpless civilians. He who has any illusions about the human character should reread Joshua 8:21.

became truly active only after the collapse of the National-International Alliance. There had been a predecessor of the civilian *Resistance*—after France became a republic in 1870—in the form of the *franc-tireurs,* entirely in keeping with the rising horizontalism. One used to have naturally no right to participate in a war without wearing the "king's coat." The alternative was to sink down to the level of savages. This was somewhat different in the case of the Balkans where after 50 years of Turkish rule the Christian tradition had been broken and one went to war "collectively," as we painfully experienced in two world wars.[50] First we had the nationalistic *komitadjis*, then the ideological *partizani.*

VII

One of the worst results of the democratization of wars was and remains the difficulty in terminating a war by peace or, at least, by lengthy periods of peace, because in a slowly democratized or fully democratic order, having fought with conscripted soldiers, one is governed largely by representatives of the people, by men who do not think historically, but politically. Of history, economics, cultural mentalities, and geography they know nothing. Moreover, they think "personally," not dynastically. What do they have primarily in mind? The weal of their grand- and great-grandchildren or the winning of the next election? The returning soldiers, too, if they have been fighting on the winning side, want to see the fruits of their sufferings and yearn for a "peace" with maximum gains for their country.

[50]In World War I, the Austro-Hungarian occupants had in Serbia great troubles with *franc-tireurs* (erroneously called *komitadjis*). In World War II, the savagery and cruelties had no limit—Croats fought with the Germans and with the Serbs; Serbs fought Croats, Germans, Italians, and other Serbs in an *Asian* manner. Churchill supported the Bolsheviks because (as he told Fitzroy MacLean) they were "better at killing Germans" than his original allies under Colonel Draza Mihajlovic, who was roundly betrayed by the West and executed by the Titoists.

(Mercenaries thought otherwise. They had their next job in mind.)

Moreover, generosity is a virtue more frequently found in the small top layers than among the masses. It takes, after all, intelligence to suspect that generosity very often pays while egotism does not. Fenelon, in a brilliant book, exhorted the Dauphin:

> Peace treaties are meaningless if you are the stronger one and if you force your neighbor to sign a treaty to avoid greater evil; then he signs in the same way as a person who surrenders his purse to a brigand who points his pistol at his throat.[51]

Yet already in the nineteenth century, in which we witnessed the democratization of ("constitutional") monarchies, we see that the warning of Fenelon was increasingly ignored. The German drive for unification and the Italian *Risorgimento* offered opportunities to annex entire countries and to make dynasties homeless. In this respect, the Italians made the start. The sovereigns of Modena, Parma, Tuscany, and the Bourbons of both Sicilies had to quit. After the liberation of Sleswig-Holstein from Danish rule by the German League, the legitimate heirs were not allowed to take over their inheritance. The situation was made worse by the outcome of the German-Prussian War of 1866,[52] which ended with Prussia's incorporation not only of Sleswig-Holstein, but also of Hesse-Nassau, the Imperial City of Frankfurt and, by no means last, the Kingdom of Hanover.[53] This was the policy of Bismarck, who had started his life as a typical Prussian conservative and a devout Lutheran Christian, but who became a German nationalist and a

[51]See François Fenelon de la Mothe, "Direction pour la conscience d'un roi," in *Oeuvres* (Paris, 1787), vol. 25, p. 489.

[52]This was the war of the German League against the Prussian-Italian alliance. To call it the "Austro-Prussian War" is a misnomer.

[53]Did William I approve of the war against the German League? His queen ostentatiously left Berlin at the outbreak of the war.

"National Liberal" who soon after the establishment of the German Empire (the "Second Reich") initiated as a "nationalistic progressivist" the *Kulturkampf* against the Catholic Church.[54]

Yet the real break came with the end of World War I, which, as we said, changed from a War between Nations into an ideological "Crusade to Make the World Safe for Democracy." By 1900, Europe had only two democratic republics (France and Switzerland), a form of government then represented on this globe largely by South and Central American nations "enriched" in 1910 and 1912 by Portugal and China.[55] The great victory of democracy in Central Europe—its triumph in Russia lasted only seven months—and the disappearance of the three emperors—created a new scene. The democrats expected to fashion the "peace" democratically, i.e., by the consent of the majority of the voters in the victorious nations. Of course, if we look at the Fourteen Points of Wilson,[56] the defeated should

[54]Bismarck was the driving and deciding force. William I of Prussia had a certain reluctance about becoming German emperor—emperor of "Germany" (Deutschland). A country with that name exists officially only since 1949. One must remember that the Habsburgs ruled the "Germanies" for over 600 years, the Hohenzollerns only for 47 years, and that William's predecessor, his brother, Frederick William IV, had declared that he would be only too happy if at the coronation of a Habsburg as German emperor he could hold the wash basin at the ceremony.

[55]We do not mention Poland at all, which, since 1572, was an elective monarchy ruled actually by the nobility and was called a republic (*rzeczpospolita*). This most tolerant country in Europe had ceased to exist by 1795.

[56]The "Fourteen Points" actually had been written by Walter Lippmann. It mentioned the "autonomous development" of the nationalities of Austria-Hungary. The word "autonomous" is not clear in English. It might stand for total separation, but also for local rights and privileges. Lippmann, an admirable man, told me that in his mind it had the latter meaning.

have expected the principle of self-determination applied even to them, but this lovely document had merely been a bait for surrender, like the mockery of the Atlantic Charter. Since the victors were the democracies, the "treaties" were not treaties but dictates that had to please the voters at home. Since these had been taught to "hate the enemy," the dictates were in reality voted for (even if indirectly) by the agitated masses. In Britain, we had the famous "Khaki Election," an orgy of demagoguery in which Lloyd George promised to ruin the German middle class through exorbitant reparations, to make Germany pay "so that the pips squeak," and to "hang the Kaiser."

George F. Kennan has said very rightly that our evils nearly all go back to World War I, not to the fighting, but to the "outcome." I would name four reasons for his thesis: the American intervention which artificially prolonged the war and prevented a compromise peace;[57] the combination of national combat with an ideological crusade, thus aggravating the issue; the mountainous historical, geographic, economic, and psychological ignorance of the politicians who naturally (thinking only of elections) wanted to please the voters; and the intellectual vacuum of the dear people whose emotions had been whipped up to the nth degree.

The bad taste of a Bismarck, who organized the celebrations for the establishment of the Second Reich in Versailles, was now imitated by these clowns who prepared the humiliation of the German Reich in the Mirror Hall of the same building. There, as in the *far more important dictates* of St. Germain-en-Laye and Trianon, were laid the foundations of the Third Reich

[57]In an interview to the *New York Enquirer,* Churchill berated, in June 1936, the United States for having joined the Allies in 1917. These had secretly tried to reach a compromise peace which would have saved countless human lives and certainly would have prevented the rise of National Socialism and probably even of Communism in Russia. His interview was read aloud by an "isolationist" before Congress in September 1939. Yet such a compromise peace would have not fulfilled Wilson's dream of making the world unsafe by democracy.

and World War II with an admirable foresight and loving care in all details. Needless to say that the Versailles treaty did tremendous harm in Germany internally, but it hardly changed the map of Europe. It was the destruction of the Habsburg Empire that made Germany the geopolitical winner of World War I. Bordering after 1919 on only one great power—France—it was now the direct or indirect neighbor in the East of partly artificial, partly militarily indefensible states. As His Magnificence, the rector of Breslau University, Ernst Kornemann, pointed out in 1926, the time to take advantage of this advantageous situation would come sooner or later. And it came. What Hitler actually inherited from these nincompoops who had dictated the Paris Suburban treaties was not only an internal situation characterized by the economic uprooting of important social layers and the imposition of an unworkable form of government,[58] but also a uniquely profitable geopolitical position due to the division of Austria-Hungary.[59] If Hitler had had any sense of humor,

[58]Jacques Bainville dreaded the idea of a German *Republic* (demanded by the German Socialist Karl Liebknecht). He was certain that it would imitate the Jacobins and, in the name of a Germany "one and indivisible," become violently nationalistic. (See his article in the *Action Francaise*, September 29, 1914.) How right he was! Goebbels had seen in German National Socialism the companion picture to the French Revolution and boasted that his party represented "the German Left" (in *Der Angriff*, December 6, 1931).

[59]To the broad public in the Western democracies, Germany and "the Kaiser" were The Enemy, but not so among the leading politicians, who were all joined by a Leftist-Protestant dislike against the Danubian Monarchy for which one finds ample documentation in my books. Clemenceau loathed the Habsburgs so much that when the Germans were nearing Paris in August 1914, he only lambasted Austria. (See the surprise of Poincare in his diaries.) Lloyd George adored Hitler but attacked Franco "because I always line up against the priests," as he explained to Virginia Cowley. Sir Denis Brogan and Raymond Aron very correctly called World War I the "Second War of Austrian Succession." World War II was undoubtedly the Third War in this series.

he would have erected a colossal monument to Woodrow Wilson.[60]

Looking back at these happenings, John Maynard Keynes, who assisted Lloyd George at these conferences, could write that

> The Carthaginian Peace is not practically right and possible. . . . The Clock cannot be set back . . . without setting up such strains in the European structure and letting loose such human and spiritual forces as, pushing beyond frontiers and races, will overwhelm not only you and your "guarantees," but your institutions and the existing order of your Society.[61]

Well, one of these "guarantees" was the League of Nations, which Compton Mackenzie called "a typist's dream of the Holy Roman Empire" and which the Congress of the United States refused to join.[62] Still, there is no doubt that general satisfaction

[60]The Social Democrat Paul Loebe, president of the Reichstag, although twice shortly incarcerated by the National Socialists, received a pension in the Third Reich for his merits in replacing the monarchy with a republic.

[61]See John Maynard Keynes, *The Economic Consequences of the Peace* (London: Harcourt, Brace, 1920), pp. 4–5.

[62]As an excuse for Wilson, it should be mentioned that in 1896, he had suffered his first stroke, and a second massive stroke in 1906, which blinded him in one eye and forced him to write with his left hand. This ruin of a man won the 1912 elections thanks to the antics of Theodore Roosevelt. At the Paris peace conferences, Wilson was tortured by two delicate ailments and suffered in September 1919 a third stroke, which subsequently resulted in his wife running the White House. See Edwin W. Weinstein, *Woodrow Wilson: A Medical and Psychological Biography* (Princeton, N.J.: Princeton University Press, 1981). Just as important and frightening is the book Sigmund Freud wrote jointly with William C. Bullitt, *Thomas Woodrow Wilson: A Psychological Study* (Boston: Houghton Mifflin, 1967). Freud said to Max Eastman that Wilson was "the silliest fool of the entire century

reigned in the nations of the victors—not only among Americans, British, French, and Italians, but also among the Czechs, Rumanians, and Serbs.[63] However, intelligent Poles, seeing their country buffeted between Germany and the Soviet Union, remained skeptical.[64] Yet "history," always immensely brutal, might have said to the defeated: "Since you were disloyal to your better self, to your heritage and traditions, you will serve not emperors but exterminators in abject slavery, pitiless megalomaniacs, who will force you back to another slaughter!" And to the victors, she would say: "Profiting from your huge superiority in men and wealth, you have abused your triumph and have paid dearly not only with men, women and children but moreover lost your worldwide prestige and possessions!"

Looking back to World War I, the old democratic enthusiasm for extending the great ideals of the French Revolution reappears,[65] even at the price of enormous bloodshed, because

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and also a criminal without realizing it." (Needless to say that Freud was not a man of the Left and never wanted his theories to be used by the medical profession.)

[63]June 28, the day of the assassination of Sultan Murad, a Serb, in 1389, was exactly 525 years later to the day to the double murder of Sarayevo. It was cleverly selected for the signing of the Treaty of Versailles underwritten on June 28, 1919, also by the "Kingdom of Serbs, Croats and Slovenes," which in 1929 was named "Jugoslavia." On the same day, a meeting of "Czechoslovak" ministers decided to send a congratulatory telegram for that crime to the new Balkan state, expressing "the hope for further such heroic deeds." Butchering a couple! There we see the bloody heritage of the French Revolution.

[64]Poland was ardently hated by Lloyd George, and he saw to it that a Polish part of Silesia was given to Czechoslovakia. When he heard about the Red Army's advance on Warsaw in 1920, he danced joyfully. As to his character, see the biography of his son, the Earl Lloyd George of Dwyfor, *My Father Lloyd George* (New York: Crown Publishers, 1960).

[65]"Democracy" is, above all, a theological problem. Government is the result of Original Sin. Democracy embodies the illusion that "self-government" means really to rule oneself and nobody else involved,

democracy means to simple spirits "freedom from rule"—from above or from the outside. When a compromise peace was in the offing, the democratic idealists went up in arms. The "Left hand of Wilson" in foreign politics, George D. Herron, preferred even a Prussian victory to a compromise peace—which to him meant aristocracy, the Ruhr barons, the Catholic Church, and the Habsburgs and "would break God's heart," whereas even after a triumph of the Hohenzollerns, the nations "still might awake after a long baleful night to cosmic intimacy and infinite knowledge."[66] Herron was greatly admired by Wilson, who made him his go-between in Europe during the war and thus gave him the opportunity to torpedo the Austrian peace effort in February 1918 because it would have meant the political survival of the Habsburgs.[67] Yet, if you have conscription, the lives of soldiers are of little value—they are easily replaceable. The same holds true for the rebuff suffered by the secret German Right before the outbreak of World War II (the Halder-Beck

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whereas it is simply the rule of the majority over the minority. Sir Henry Campbell-Bannerman told us that "Self-government is better than good government." So the next time we have a serious disease, we should practice quackery on ourselves and dispense with the medical profession.

[66]See George D. Herron, *The Menace of Peace* (London: Allen and Unwin, 1917), pp. 9–10. Wilson found himself apparently only understood by this defrocked minister (he had committed adultery), a former socialist and pacifist who, after his divorce, married the daughter of the very wealthy Mrs. Rand, foundress of the Rand School of Social Science in New York.

[67]Herron's willful ruining of the Austrian peace effort in February 1918 is well described by his Slovak "assistant," Stefan Osusky, in *George D. Herron: Dovernik Wilsonov pocas vojny* (Pressburg: Naklad Prudov, 1925). Incidentally, it was Herron's idea to have the League of Nations headquarters located in Geneva, the city of Calvin and Rousseau. The "Herron Papers" are preserved at the Hoover Institution, Stanford, California, and are available in 13 neatly typed volumes.

conspiracy) and then during the war of their efforts through Dr. Bell, the bishop of Chichester, who begged in vain to get the cooperation of Winston Churchill.[68]

The Germans had to sign the "treaty" in Versailles because the hunger blockade worked like thumbscrews. The hope for a liberal democracy in Russia had been snuffed out by the radical Social Democrats, the so-called Bolsheviks, and thus Russia no longer was a "fit partner in a league of honor," as Wilson had greeted the rule of Alexander Kerensky. (The New Russia, the "Socialist Fatherland," had 20 years later the delightful chance to start World War II *jointly* with the National Socialists.)

Had the European monarchs ever tried to enforce monarchism either in the Second or the Third French Republic, in Brazil after the fall of the monarchy, or in Portugal in 1910? No, because there is no such thing as "monarchism." Democracy as democratism is a gnostic ideology, hell-bent on "saving the world."[69] Monarchy is "familistic." The family is something natural. It needs no philosophical impulses. It represents no secular religion.

Yet to make people happy (after one's own fashion) requires sometimes a little and occasionally even a lot of pressure. In February 1914, Mr. Wilson thought that the Mexicans would be much happier if they imitated politically the United States, which in turn had imitated France.[70] This worried Sir Edward

[68]I met the bishop of Chichester after the war in New York. He assured me that Churchill had not read the material he gave him. (With one bottle of whiskey every day, he obviously did not have the time.) Anthony Eden was afraid to irritate the Soviets if contacts were taken up with German generals. Eden was also the man who surrendered the anti-communist Russians, Croats and Slovenes to the Soviets and to Tito. They were butchered en masse.

[69]The gnostic character of democracy was also obvious to Eric Voegelin, *Science, Politics and Gnosticism* (Chicago: Regnery, 1968).

[70]I get great pleasure in asking American audiences where in the Declaration of Independence and/or the Constitution one finds such nouns as "democracy" and "republic." Their surprise is great when

Grey, British foreign minister. A curious dialogue developed between Grey and the American ambassador, Walter Hines Page. The theme was the Mexican reluctance to adopt a full-fledged democracy, which the United States, after all, had fostered and abetted in Mexico even before the days they had supported Benito Juarez, the murderer of Emperor Maximilian.[71] And such was the exchange of opinions:

Grey: Suppose you have to intervene, what then?

Page: Make 'em vote and live by their decisions.

Grey: But suppose they will not so live?

Page: We'll go in again and make'em vote again.

Grey: And keep this up for 200 years?

Page: Yes. The United States will be here for 200 years and it can continue to shoot them for that little space till they learn to vote and rule themselves.[72]

With that unsophisticated mentality, the "young democracies" were forced to "enjoy" self-government, to rave about their "new republican liberty."[73] This wording reminds one of the

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they discover that these terms appear in neither document, and when I tell them that, according to Charles Beard, the Founding Fathers hated democracy more than Original Sin, they are amazed. Nor are they delighted when I tell them that after 1828 their country had gone to the French School.

[71]The Duce was given his Spanish first name by his anarchist father. It was Benito (instead of Benedetto), in honor of Benito Juarez, who had a monarch executed! The fasces, we must remember, are a republican symbol and Fascism found its full realization only in the *Repubblica Sociale Italiana* with the seat in Salo.

[72]See Burton J. Hendrick, *The Life and Letters of Walter H. Page* (Garden City, N.Y.: Doubleday, 1925), vol. 1, p. 188.

[73]How much female American influence was then active in the political scene? Masaryk, who had persuaded Wilson that Austria was even guiltier than Germany in the war, had an American wife, and so did Clemenceau. Churchill then only played a minor role, but his

Napoleonic conquerors of the Tyrol and the spirit in which the Suburban Paris treaties were dictated.[74] France had drowned Europe in blood during the 1795–1815 period. Yet at the Congress of Vienna, its delegates were received in great honor, the language of the sessions and discussions was French and France left the conference tables—slightly *enlarged*.[75] There was no cry to "Hang the *Empereur*!" nor was there a "public" whose animal craving for revenge had to be satisfied.

VIII

Of course, it would be naive to think that wars in the truly monarchical period of our Christian history were a pleasant pastime. Wars were not infrequent, and the discipline among the mercenaries was miserable. Occupied cities had to pay contributions, taking booty was accepted, marauding soldiers were a plague. It was only in the eighteenth century that wars had assumed a civilized character.[76] The fact that the generals belonged to noble families helped greatly. They had the right upbringing, and Europe's aristocracy was internationally related—although not to the extent of the royal-imperial families.[77] In judging the character of their enemies, they certainly

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mother was American. Sonnino, the Italian foreign minister's mother, however, was not American but British, and he became an Anglican.

[74]When the French army during the Napoleonic Wars invaded the Tyrol, they declared solemnly: "We bring you liberty whether you like it or not!" Amusing when one realizes that ever since the late fourteenth century the Tyroleans had a *Landtag* where all four estates were represented and they all had equal power.

[75]France received in 1814–15 the papal enclave of Avignon and also joined the Holy Alliance. (Britain soon left it.)

[76]In Lucerne, one can admire the "Dying Lion" by Thorvaldsen, erected to the memory of the Swiss mercenaries who died loyally in the service of Louis XVI at the Tuileries. They were massacred to the last man.

[77]The surrender of Breda, painted by Velasquez, can be seen in Madrid's Prado. The painting shows "Gentlemen of the Old School"

were never influenced by the mass media. One cannot imagine Marlborough being moved by the editorials in London's *Daily Courant . . .* as President Kennedy was by David Halberstam of the *New York Times.*

The monarchs, however, were not only an international, but also an interracial breed, a great advantage also to nations they ruled, because it gave them a certain distance from their subjects, whom thus they could judge more objectively. In 1909, the only genuinely native sovereign dynasties in Europe were the Petrovic-Njegos in Montenegro and the Karagjorgjevic in Serbia, certainly not the most important or distinguished ones. The House of Saxe-Coburg-Gotha ruled in Saxe-Coburg, Great Britain,[78] Belgium, Portugal, and Bulgaria; the Holstein-Gattorps in Russia, where the real Romanovs had died out with Peter II; the Bourbons in Spain; the Alemannic Hohenzollerns in Prussia and Rumania; the Sonderburg-Gluecksburg-Augustenburgs in Denmark, Norway, and Greece; the Nassaus in the Netherlands and in Luxembourg; the Swiss-Lotharingian Habsburgs in Austria-Hungary; and the (French) Savoys in Italy. They all

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in a delightful ceremony. That "Old School" still existed in World War I. The son of that supreme traitor, Thomas G. Masaryk, served in the Austro-Hungarian army until the very end as a Hussar captain. Then he told his colonel that neither he nor his fellow officers ever mentioned the well-known activities of his father. "It was often at the very tip of our tongues," the colonel replied, "but, of course, we never did." This has been reported by Indro Montanelli. Could anybody imagine anything similar in a Western army? ("Guilt by association" is a term totally unknown in a personalist civilization.)

[78]When the British Royal House changed its name from Saxe-Coburg-Gotha to Windsor to please the dear people, William II remarked: "Children, next time we go to the theater we'll see the 'Merry Wives of Saxe-Coburg-Gotha.'" Prince Charles belongs *de facto* to the House of Sonderburg-Gluecksburg-Augustenburg, alias Windsor. His father was, after all, born a Greek prince—without a drop of Greek blood.

descended from Muhammad,[79] from Charlemagne, had a drop of Jewish blood,[80] and looking at the motherline of Maria Theresia one comes to Kumanian (Turk-Tatar) princes.[81]

It is true that the Reformation raised a wall between the Catholic and "Protestant" families, but it was sometimes broken.[82] In spite of quarrels, wars, and denominational differences even as late as 1870, the defeated Napoleon III dined as a prisoner together with William I of Prussia and Bismarck in Wilhelmshoehe Castle, where the Prussian king addressed the emperor of the French as "*Mon cher Monsieur frere*!"[83] Self-control, good manners, and generosity belonged to a monarch.

Here we have to keep in mind that the interrelationship between the monarchs was tightened in the course of centuries, but they also were not entirely immune to the influence of the historic developments after 1789, in other words to democracy, socialism,[84] nationalism, to "horizontalist"

[79]Alfonso IV, king of Castile, married the daughter of a captive Moroccan prince, from whom all sovereign houses of Europe descend. Corresponding with members of European dynasties King Hassan II of Morocco and his friends call each other "*Cher Cousin.*"

[80]The Hebrew ancestor is Pierleone, brother of the antipope Anaclet II, the "pope from the ghetto."

[81]By Otto Forst de Battaglia, *Das Geheimnis des Blutes* (Vienna: Reinhold, 1932), pp. 45–46, we are informed that William II and George V of Britain had also Genghis-Khan as a common ancestor.

[82]Elena of Spain, wife of Alfonso XIII and granddaughter of Queen Victoria, was originally an Anglican; Astrid, wife of Leopold III of Belgium a Lutheran princess from Sweden; the present queen of Spain is a great-granddaughter of William II.

[83]Napoleon III had been offended, because Nicholas I had addressed him merely as "Dear Cousin." At that meeting in Kassel, Bismarck spoke an impeccable French, whereas Napoleon III had a German accent, having spent his youth and student years in German exile. (Napoleon I spoke French with an Italian accent.)

[84]In the quarrel between William II and Bismarck, which led to the latter's dismissal, the "social question" played a major role. The

temptations.[85] It is even doubtful whether Lloyd George alone was responsible for not saving the lives of the Russian Imperial family.[86] The British in 1917 refused to give them asylum.

Monarchy had several great advantages. First of all, one could expect a monarch to be psychologically[87] and intellectually prepared for his task. Contemplating the intellectual preparation of some leading politicians for their task, one can only throw up one's hands in horror—often their "looks" and their gift of gab alone got them into office. A second asset is (or

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emperor was finally emphatic on the side of the Provider State favoring a more social legislation.

[85]The inroads of ethnicism in the feeling of monarchs was evident when, in 1916, Empress Alexandra, receiving in audience a young Austrian Countess Kinsky, sent by the Red Cross to inspect Russian prison camps. Thinking that her visitor (due to her name) felt herself to be a Czech, she asked her: "Do you really like these Germans, dear child?" But the countess stiffened up and replied: "These are *our* allies, Your Majesty!" Whereupon the empress immediately apologized for her *faux pas.* See Nora Graefin Kinsky, *Russisches Tagebuch* (Stuttgart: Seewald, 1976), p. 87.

[86]It is unclear whether the guilt for not saving Nicholas II and his family lies with Lloyd George or George V, or both. They saw in him, knowing about his peace efforts, a "traitor." William II was desperate about not being able to do anything for them. When the "Bolshevik" wing of the Social Democrats took over, the fate of the Imperial family was sealed.

[87]Monarchs usually realized that had they been born a few blocks away from the royal or imperial palace, they would never have been sovereigns. Nor could they claim that their office was due to their intelligence, courage, intuitions, or superior qualities. Hence, the much more highly developed megalomania of popular leaders, especially if they were not religious. (The dictum of Acton, "Power tends to corrupt, absolute power corrupts absolutely," is only valid for nonreligious people. Charles V, in whose realm the sun never set, was a true saint compared with Rufino Barrios, the atheistic tyrant of Guatemala, or with Lenin, Stalin, Mao, or Hitler.)

rather was) their international relationships and their lack of local ties.[88] Number three is the fact that they owe their position to no party, faction, estate, interest group, or class, but only, to use the words of Bossuet, to "the sweet process of nature."[89] The fourth advantage is that the monarchs had the chance to act historically. It is obvious that in democracies where the primary problem is to win the elections and where instability with nicely spaced changes—a sort of Punch-and-Judy show—is even a matter of pride, a constructive foreign policy is well nigh impossible.[90] Monarchs were in office until they died and left their realm to their sons or nearest relative. They could act historically, not politically, in a way without a time limit. Hence, their various "Political Testaments."

This has been aptly demonstrated by Professor Hans-Hermann Hoppe in an essay which likened the democratic procedure to a small child wanting to get his wishes fulfilled

[88]Today, monarchs have merely symbolic value, their marriages no longer play a political role and have partly lost their international character. Still, it is significant that Swedish royalty is permitted to marry nonroyalty, provided the partner is a foreigner. Yet the present law of succession is clearly "undynastic:" a daughter can precede a male heir. So, the name of the dynasty becomes fictitious, like that of the "Windsors."

[89]In the Middle Ages, the European monarchs were very much subject to Constitutions. There was the principle of *rex sub lege.* See Fritz Kern, *Gottesgnadentum und Widerstandsrecht im fruehen Mittelalter* (Leipzig: Koehler, 1914). The right to rebellion survived in post-Reformist Europe. The Jesuit Juan de Mariana taught: *Justum est necare reges impios.* For Calvin, a monstrous monarch was: *un ire de dieu* whom one had to suffer with patience. Luther taught in the same way. According to Fernando d'Antonio, Thomas Aquinas permitted tyrannicide in the course of a general rebellion (see his *Il tirannicidio nel pensiero del Acquinate*, 1939). As to the "grace of God"—*whatever* we are is due to the grace of God.

[90]As to the impossibility of a sound foreign policy in a democratic age, see my article "Foreign Policy and the Popular Will," *Chronicles* (June 1998). Democracies are merry-go-rounds.

immediately and protesting in tears if there is a delay or a negative reaction. A monarch as member of a dynasty can plan for the distant future, even for generations.[91] Yet it would be most erroneous to believe that a return to monarchy, even a Christian monarchy, would solve all our problems. Remember the praise the great monarchist Charles Maurras bestowed on this form of government: "*Le moindre mal. La possibilité du bien*"—The least evil. The possibility of something good.

Still, a monarch as member of a dynasty can plan for the distant future, even for generations. In our time, with the globe transformed into an immensely complex scenery, the abyss between the *Scita* and the *Scienda*, the actual knowledge of voters and candidates compared with the necessary knowledge is unavoidably widening all the time. And since the required knowledge among those active or passive in the democratic process is minute, only sentiments, sympathies and antipathies, pleasing and unpleasant factors are now effective. Hence, democracies act like rabbits jumping in all imaginable directions, into unwanted wars, idealistic "crusades," and into undesirable, fatal peace arrangements.[92] From their childhood

[91]See Hans-Hermann Hoppe, "Time Preference, Government and the Process of De-Civilization: From Monarchy to Democracy," in *The Costs of War: America's Pyrrhic Victories,* John V. Denson, ed. (New Brunswick, N.J.: Transaction Publishers, 1997).

[92]All the wars of the United States after 1945 have been deeply affected by the democratic process—in Korea, in Vietnam, and even in the Persian Gulf. The most amazing was the case of Vietnam. See Leslie Gelb, *The Irony of Vietnam: The System Worked* (Washington, D.C.: Brookings Institute, 1978). The message of this book by a leftist author is revealed by the title: the irony lies in the fact that this victory of communism was at the same time a victory of democracy, and the system worked because majority opinion forced the White House, the Pentagon, and the Congress to "give up." Thus 56,000 men died totally in vain. That victory could have been won is proved in the book by the dissident Viet-Cong Colonel Bui-Tin, *Following Ho Chi Minh: Memoirs of a North Vietnamese Colonel* (London: Hurst,

on, monarchs were prepared for their duties. They "inherited" their profession as traditionally as craftsmen did in the past. The son of a tailor became a tailor, and so forth. These tailors produced passable garments, sometimes bad ones, occasionally even excellent ones. So with the monarchs. Yet dentists, lawyers, cobblers, farmers, plumbers could not have produced any clothes whatsoever, but only sheer monstrosities. Hence, the decline of Europe, lasting already more than 200 years—which also means that one should not forget the already once-mentioned fact that monarchy compromised with democracy during the nineteenth century and acquired merely a psychological role in the twentieth.[93]

Wars, however, are undesirable under all circumstances. The ideal solution—at present a dream without any hope of realization—would be a gremium of Christian monarchs, such as we have in a Muslim version in Malaysia,[94] controlling the globe aware of the fact that wars today, thanks to the developments of technology, chemistry, physics, and biology, have assumed a suicidal character.[95] They menace the survival of all

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1995). All due to errors at the top? Remember chapter eight, volume one, of James Bryce's *The American Commonwealth,* entitled: "Why a great man cannot be elected President of the United States." This is only partly due to the inverted pyramid, since the half educated had nearly reached the original top.

[93]We have to bear in mind that democracies *boast* of their instability and their dislike for expertise. The real "hero" in democratic folklore is always the "successful amateur," not the expert, which proves that knowledge and experience have no value.

[94]The Sultans of Malaysia vote a man among themselves, for the next five years, the "Yang di-Pertuan Agong" into power. He is addressed as "Your Majesty." The title and position of the person heading, one nice day, the European Union is a riddle.

[95]European monarchs are still psychologic lightning rods, preventing "popular leaders" grabbing absolute power. This even worked in the case of Italy where a king, in a great emergency, was able to put a dictator into an ambulance and have him shipped to a mountain

mankind, which, so far, has spiritually no common denominator. Neither has the U.N. nor really the European Union. So far, it can only boast of a common economic unity to become more *prosperous* and a common *defense* against outside enemies (but without any aggressive drive). Under these circumstances, its coat of arms should be a fat porcupine, a beast fairly safe in its natural surroundings, but certainly not a valid symbol for Europe.

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top. Yet to what extent a "constitutional monarchy" is problematic was shown in Belgium, where a king abdicated temporarily in order not to sign a fundamentally immoral law. He was then called back by the parliament.

4
Nuclear Weapons: Proliferation or Monopoly?

Bertrand Lemennicier

The problem of nuclear proliferation is an old one, dating back to the first offensive nuclear detonation in 1945 when the United States used nuclear weapons on Japan. The problem resurfaces each time a new nation develops nuclear weapons: the Soviet Union in 1949, the United Kingdom in 1952, France in 1962, and China and India in 1974. Israel claims to have nuclear weapons; Brazil, South Africa, and Argentina could but have stopped development; and Iran, Iraq, and probably others (e.g., North Korea) have expressed the desire to have them.

If nuclear weapons in the hands of governments present a real or perceived threat of intrusion or invasion among their neighbors, we can expect smaller nations to move to protect their territory and political independence through nuclear weapons production or acquisition. The French government used this argument against the American nuclear program when Charles De Gaulle came to power in 1945. At the same time, technological and political changes have reduced the cost of acquiring nuclear weapons. Further, technological progress should make possible the miniaturization of these weapons. Small organizations could someday have access to them. This possible proliferation is currently considered a curse, not a blessing. Why? Mainly because everyone fears that such a proliferation of weapons of mass destruction combined with advanced means for their delivery intensifies "the problem of

ensuring global security," as Dagobert Brito and Michael Intriligator[1] wrote recently in *Economic Affairs.*

The claim that the proliferation of any weapons—small or large, in the hands of ordinary citizens or politicians—is a general threat is, in fact, the first step in the centralization and monopolization of power. It is through the argument that proliferation itself is dangerous that individuals around the world, in being forbidden to own weapons of their choice, have been deprived of the basic right of self-protection by (and from) the tyrants governing their own countries.

Part of the problem is fear instilled in others when one possesses weapons. Imagine a situation in which miniature nuclear weapons with great power are available and affordable for ordinary citizens. I could give the French government an ultimatum, as they sometimes do with other governments. My ultimatum might be, "If you take my resources through taxation and invasion of my property, I will destroy Paris." Or worse, "The residents of Paris must pay me a tribute or face annihilation."[2]

Facts and common sense contradict this simplistic argument. In France in 1991 there were 16,000 arrests for possession of illegal arms, and only 1,600 homicides. Only 45 percent of the homicides were committed with guns, shotguns, or hand-held weapons. The probability of use of restricted weapons is very low—around .45 percent. Since arrests involve only a fraction of persons carrying or possessing legal or illegal weapons, the real probability of forbidden weapons being used is quite low. And of course, the only time in history where nuclear weapons were used was when the United States was able to do it without fear of retaliation.

[1]D. Brito and M. Intriligator, "Deterring nuclear weapons proliferation," in *Defence Economics*, Economic Affairs IEA (December 1977).

[2]Of course, at present only governments, through massive taxation, are able to afford nuclear weapons.

Is Proliferation a Curse?[3]

We need to establish a correlation between arms possession and the number of assaults. Does legally or illegally arming additional people increase the probability of aggression, or decrease it? Does the probability of nuclear war increase when additional countries develop nuclear weapons? Brito and Intriligator, through a cardinality theorem, tried to show such a correlation.[4] Their thesis was traditional in that the dominant factor was not the proliferation of nuclear weapons *per se*, but the increase in accidents or inadvertent launches by those possessing them. Alternatively, the nonproliferation case often focuses on the irrationality of the marginal actor who can destroy the "terror equilibrium of nuclear weapons"—a classical argument used to justify a cartel.

Imagine there is only one armed person. The temptation for aggressive behavior instead of peaceful conflict resolution for this person would be strong—because he has a comparative advantage. Now imagine two similarly armed people (or States). The fundamental question is whether either will use an aggressive (Hawk) strategy, or a cooperative (Dove) strategy, in a conflict. If the use of weapons will lead to a deadly war in which both sides likely will lose not only their property but their lives, an aggressive strategy is not the preferred one. If we suppose that both are rational entities, they will adopt Dove behavior over Hawk behavior only if the expected gains from using the Dove strategy exceed those of the Hawk strategy. The complication is that future gains from either strategy for one player depend on the behavior of the other player. There is a nonzero probability of armed conflict, though this probability is much lower than in the case in which a party faces no risk of retaliation.

[3]Here, I am indebted to Nikolay Gertchev, who helped me develop a formal model of conflict based on the traditional Hawk and Dove interaction in game theory.

[4]D. Brito and M. Intriligator, "Proliferation and the Probability of War," *Journal of Conflict Resolution* (March 1996): 206–14.

In that case, the Hawk strategy would dominate for the armed player.

Let's formalize[5] this interaction between John and Peter, two individuals or princes representing their countries, both possessing nuclear weapons:

		Peter			
		1–λ(2)		λ(2)	
John		Dove		Hawk	
Dove	λ(1)	V/2	V/2	0	V
Hawk	1–λ(1)	V	0	(–C)	(–C)

V measures gains from a conflict. C is the cost of war. If they both use the Dove strategy, they divide gains, V/2. If there is a balance of power, nuclear weapons make war very costly. When both make war, the use of nuclear weapons imposes only losses, –C, for John and for Peter. In the case that John has a monopoly in nuclear weapons, he has no fear of retaliation; here, there are only gains ($V > 0$) for John and no losses or gains for Peter, as he surrenders.

If John has a monopoly, the dominant strategy for him is the Hawk strategy.[6] In the case of a balance of power, each party

[5] This model is a variant of the Hawk and Dove model of modern game theory first developed by J.M. Smith, *Evolution and the Theory of Games* (Cambridge, U.K.: Cambridge University Press, 1982).

[6] Asymmetries, imbalance of power, and hierarchy of political forces are usually the sources of political power. In the analysis we assume perfect symmetry of forces as a result of the spread of nuclear weapons: Military technology is available or accessible at a certain price for individuals or groups. Let's drop this hypothesis. We introduce asymmetry between John and Peter. Costs and gains for them are divergent. The matrix looks as follows:

will adopt the Hawk strategy if and only if he is sure the adversary will play the Dove. If both play the Hawk strategy, losses are the only outcome. If John plays Hawk and Peter plays Dove, John will get the totality of gains, V. In the opposite case his gain is zero. The game is symmetric since both sides have the same weapons. We can see that the Hawk strategy is not the most attractive behavior as the outcome (–C) is negative. But the Dove strategy is dubious since V > V/2. Thus, John plays Hawk only if Peter plays Dove. In the absence of perfect foresight, John has to predict Peter's behavior. From John's perspective, $\lambda(2)$ is the probability that Peter will adopt the Hawk strategy and $1-\lambda(2)$ that Peter will adopt the Dove strategy. And for Peter, $\lambda(1)$ is the probability that John will adopt the Hawk strategy and $1-\lambda(1)$ the Dove strategy.

Future expected gains for John in adopting the Hawk strategy are:

(1) $E(U)_H = (1-\lambda(2))V + \lambda(2)(-C)$

		Peter	
		Dove	Hawk
	Dove	V/2, v/2	0, v
John			
	Hawk	V, 0	(–C), (v–c)

We give Peter an advantage in aggression, v–c > 0. John is aware that Peter will play Hawk due to this advantage. Because Peter definitely will play Hawk, John's strategy will be to surrender to Peter, since 0 > –C. Peter beats John. This interaction will lead to domination by one party, which strangely is praised by political scientists. The origin of such domination lies not necessarily in asymmetry itself, but in the belief in it on John's part. This helps highlight the role of misinformation as military strategy as well as the role of technology in multinational conflicts.

If he plays the Dove they are:

$$(2)\ E(U)_D = (1-\lambda(2))\lambda V/2 + (2)\lambda 0 = (1-\lambda(2))\lambda V/2$$

Thus he plays the Dove if and only if

$$(3)\ E(U)_D = (1-\lambda(2))\lambda V/2 > E(U)_H = (1-\lambda\ (2))\lambda V + \lambda(2)\lambda(-C)$$

and he will play Hawk when:

$$(4)\ E(U)_D = (1-\lambda(2))\lambda V/2 < E(U)_H = (1-\lambda(2))\lambda V + \lambda(2)\lambda(-C)$$

He will be indifferent between the two strategies when:

$$(1-\lambda(2))\lambda V + \lambda(2)(-C) = (1-\lambda(2))\lambda V/2$$

that is, when

$$(5)\ \lambda(2)^* = V/(2C + V)$$

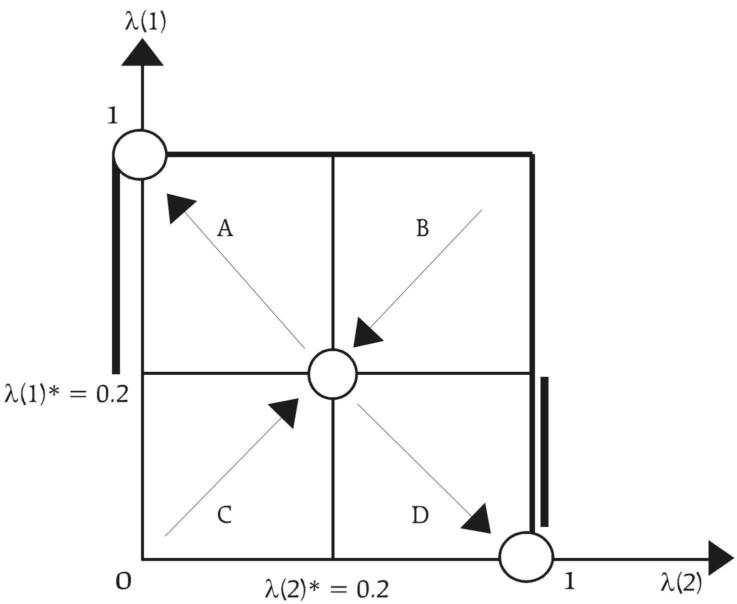
The interpretation of the ratio V/(2C+V) is straightforward: It is the relation between the gain of the Hawk strategy, V, when the other plays Dove; and the opportunity costs of war (2C+V)[7] when the other plays Hawk. If John estimates that the probability, λ(2), that Peter will play Hawk is less than this ratio, λ(2)*, John will play Hawk. Otherwise, if he estimates that this probability is higher than the ratio, John will play Dove. We also notice that as the damage from war compared to gains increases, the more likely John (or Peter) will adopt the Dove strategy, as the threshold probability is lower. If the ratio of

[7]2C+V measures for both players the sum of the direct cost of war, C, and the loss suffered by each player in losing the gain of the Dove strategy, V/2. 2(C+V/2) = 2C+V.

gains over costs from the war approaches zero (which is the case with nuclear weapons), the probability of peaceful conflict resolution increases drastically. Now, as the game is symmetric, we have $\lambda(1)^* = \lambda(2)^*$.

In such an interaction, $\lambda(2)$ and $\lambda(1)$ are key variables in the decision to enter a nuclear conflict. Assume that John is convinced erroneously by a third party, Paul, that Peter will play Dove, or that Peter is very likely to play Dove (while Peter in fact is ready to play Hawk). Then John will adopt the Hawk strategy based on incorrect information. Nuclear war is then the outcome of this incorrect information. This explains why governments have developed direct communications between those who have the power to start a nuclear conflict, protecting themselves against such erroneous decisions. But as players are rational, they anticipate difficulty in predicting the behavior of others. A natural consistency requirement is that expectations are also rational.

The convergence of anticipations between John and Peter is crucial. Consider the following figure:

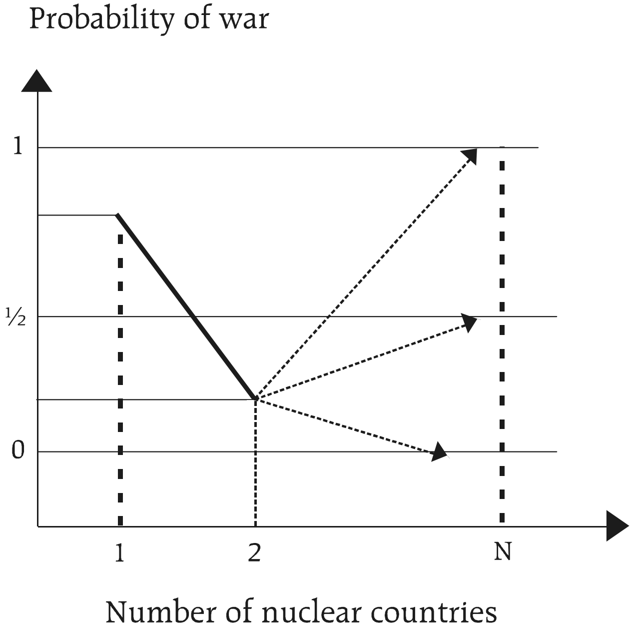


On the horizontal axis, we plot John's expectations of Peter, $\lambda(2)$, while on the vertical axis we plot Peter's expectations of John, $\lambda(1)$. Assume we are in zone A. In that case, $\lambda(1) > \lambda(1)^*$ while $\lambda(2) < \lambda(2)^*$. This means Peter should play Dove as the best response to the behavior of John, as John rationally plays Hawk. For expectations in zone A, a stable strategy is the couple $\lambda(1) = 1$, $\lambda(2) = 0$. John plays Hawk and Peter plays Dove. In zone D, we have the opposite, $\lambda(1) = 0$, $\lambda(2) = 1$; John plays Dove and Peter plays Hawk. There are two pure strategies: Either John dominates or Peter dominates. In regions B and C, both Peter and John play the same strategy, either Hawk or Dove, as $\lambda(1) > \lambda(1)^*$ and $\lambda(2) > V(2)^*$ (zone B), or $\lambda(1) < \lambda(1)^*$ and $\lambda(2) < \lambda(2)^*$. The mixed equilibrium $\lambda(1)^* = \lambda(2)^*$ is not in fact stable in regions A and D. But when C increases drastically, as with nuclear weapons, the value of $\lambda(1)^* = \lambda(2)^* = V/(2C+V)$ approaches zero, such that regions of peace A, B, and D increase in size. This means an increase in the probability that the outcome of the interaction is peace.

Consequently, the arms race between two nuclear countries to establish a power equilibrium should decrease the odds of an armed conflict. The more deadly the weapons become, the more they are dissuasive. The next question is: Does the introduction of additional participants increase, decrease, or leave unchanged the probability of conflict? Refer to the next figure.

On the vertical axis is plotted the probability of war, and on the horizontal axis the number of countries or governments with nuclear weapons. With a monopoly the probability of war approaches 1. With two players the probability nears zero. Adding participants either lowers this probability to zero or increases it until we reach pure uncertainty[8] (the probability of war is .50) or pure certainty (the probability of war approaches 1).

[8]Brito and Intriligator recognize the monopoly and duopoly cases, but they argue that an increase in the number of players will increase the probability of errors. In that case the probability of conflict increases to .50—that is, to complete uncertainty.



Adding one player to the interaction implies a new game with three players, each always having two strategies to play, Hawk or Dove:

Patrick	Hawk (λ(2))		Dove (1–λ(2))	
Peter John	Hawk (λ(3))	Dove (1–λ(3))	Hawk (λ(3))	Dove (1–λ(3))
Hawk λ(1)	–C,–C,–C	–C,–C,–C	–C,–C,–C	V,0,0
Dove 1–λ(1)	–C,–C,–C	0,V,0	0,0,V	V/3,V/3,V/3

Patrick plays either Hawk or Dove. Then Peter plays either Hawk or Dove, conditional on whether Patrick has played Hawk or Dove. Then what is John's strategy? In a nuclear conflict, if two players play Hawk the destructive power of nuclear

weapons is such that the other actor who plays Dove may be destroyed as well.[9] In fact, gains occur for one or for all when only one actor plays Hawk while the others play Dove, or when all play Dove.

Consequently, knowing this matrix, John will calculate the expected value of adopting the Hawk strategy versus the Dove by anticipating the aggressive behavior of the two other players.

Hawk strategy:

$$(6)\ E(U)_H = \lambda(2)\lambda(3)(-C) + \lambda(2)(1-\lambda(3))(-C) + (1-\lambda(2))(1-\lambda(3))\lambda V$$

Dove strategy:

$$(7)\ E(U)_D = \lambda(2)\lambda(3)(-C) + (1-\lambda(2))(1-\lambda(3))(V/3)$$

John will play Hawk when

$$(8)\ E(U)_H = \lambda(2)\lambda(3)(-C) + \lambda(2)(1-\lambda(3))(-C) + (1-\lambda(2))(1-\lambda(3))\lambda V > E(U)_D = \lambda(2)\lambda(3)(-C) + (1-\lambda(2))(1-\lambda(3))(V/3)$$

He will be indifferent when:

$$(9)\ E(U)_H = \lambda(2)\lambda(3)(-C) + \lambda(2)(1-\lambda(3))(-C) + (1-\lambda(2))(1-\lambda(3))\lambda V = E(U)_D = \lambda(2)\lambda(3)(-C) + (1-\lambda(2))(1-\lambda(3))(V/3)$$

[9]One thought is that the third party who does not take part in the nuclear conflict will be the last survivor and will profit from the destruction of his competitors in the fight for resources. Actually, this strategy moves the third player to autarky, which implies losses compared to the present situation of no conflict. Further, we can add an externality problem—collateral damage—with nuclear war due to the destructive power of nuclear weapons.

As the game is symmetrical, and knowing that expectations are rational (that is, each player's expectations of the others coincide with actual choices the others intend to make), we can write: $\lambda(1) = \lambda(2) = \lambda(3) = 3\lambda$, where 3λ is the threshold with three players. Solving equation 9 for 3λ, we find:

$$(10)\quad 3\lambda = V/(3C + V)$$

The threshold on which John bases his strategy is lower with three players than with two. Adding N players in this game leads to a threshold on which all players base their strategy:

$$(11)\quad N\lambda = V/(NC + V)$$

Increasing N to infinity reduces the threshold to zero. Each nuclear power will be incited to play Dove. Adding N players implies N pure strategies where one is dominant (that is, plays Hawk while all others play Dove) and one mixed equilibrium $\lambda(1)^* = \ldots = \lambda(N)^* = V/(NC+V)$. In the N-dimensional space of the $\lambda(i)$, the corresponding C area in the two-dimensional space shrinks to zero, insuring high stability of peace.[10]

To an outside observer, the frequency with which a nuclear conflict can emerge is given by

$$(12)\quad f(H) = \sum_{i=1}^{N} N_{\lambda} + \Pi\, ({}^{N}\lambda)\, N$$

[10]The underlying idea is simple: if k players anticipate that N–k players will play Dove, $\lambda i < \lambda(i)^*$, then their best strategy is to play Hawk. But if they all play Hawk at the same time, the outcome is a generalized conflict and their own disappearance due to the externalities of a nuclear conflict. Knowing that each of the k players anticipates that the k–1 other players will have the same bet, they will play Hawk only if they are sure that all others will play Dove. This possibility diminishes drastically as the number of players increases.

Looking at the matrix with three players, we see there are three cases with two players at war, and one case with all players at war. But the product of a probability raised to the power N is negligible. Then the frequency of a nuclear war in a matrix of N players is reduced to:

$$(13) \quad f(H) = \frac{NV}{NC + V} = \frac{V/C}{1 + \frac{V}{NC}}$$

As N approaches infinity, the frequency of nuclear war is the ratio of gains V over the cost of war C. With nuclear weapons, C is very high compared to V, which predicts that the frequency of nuclear war will approach zero. The lesson from this formal analysis is that the more armed players there are, the more the threshold probability to have armed conflicts depends only on the ratio V/C. The more dissuasive the means, the less the chances for conflict. Formalization can always be suspect of rhetorical trickery, and the present demonstration is no exception. At least the formal model appeals to reason and not passions. If the model is correct, then it is important to liberalize the right to have extremely dangerous weapons and accept their dissemination among nations or individuals.

Is Nuclear Proliferation a Blessing?

Yes it is. Why? Because things that are good for us are good for others. The terror equilibrium was a guarantor of peace in Europe during the cold war. Without it, the Soviets might have been tempted to invade Europe. When there are no nuclear weapons there are classic wars, which can result in massacres comparable to those seen with the use of conventional weapons in the world wars. The Iran/Iraq war is a case in point: If both sides had had nuclear weapons, they might have hesitated to enter the conflict, saving millions of lives.

Possession of nuclear weapons by all players is a good and not a bad. Indeed, the more countries possess such dissuasive weapons, the wider will be the territory of peace and stability as experienced in Europe throughout the cold war. There have to be serious reasons to prohibit certain countries from owning such means of dissuading potential aggressors.

This sort of support of nuclear arms proliferation is natural for economists but heretical for noneconomists. The countries who are members of the nuclear club form a cartel that is looking to protect its monopoly in respect to other countries. They even use violence in order to prevent countries they do not like from obtaining nuclear technology. If nuclear weapons reduce the possibility of armed conflicts, i.e., protect human lives and territory from external invaders and violence, it means nuclear weapons possession is efficient.

Nuclear weapons possession will become more necessary as the costs of nuclear technology decrease. Competition between countries to defend themselves against external aggressors will lead to the proliferation of nuclear weapons. The cartel of members of the nuclear club (Russia, England, France, China, and the United States) will fail as more countries develop weapons. There are two major forces in this process. Club members have reason to cheat by giving nuclear weapons to other countries (e.g., France and Iraq, China and Iran); and other countries can enter the market on their own (e.g., India, Pakistan, Israel, Iran, Iraq, North Korea). Remember also that Kazakhstan, Belarus, and Ukraine inherited nuclear weapons from the USSR. Perhaps if Ukraine keeps its nuclear arsenal, Poland will decide to acquire the same. South Africa, Japan, Germany, Brazil, and Argentina will in the near future have nuclear weapons if they do not already.

This point of view is increasingly shared by Western military strategists, many of whom believe countries willing to obtain such weapons should be helped and not considered outlaws. An article by J. Fitchett in the *International Herald Tribune*[11]

[11] *International Herald Tribune*, http://www.iht.com/diplo.

notes this change in opinion among military advisers. But Fitchett claims that if proliferation prevails, the risk of conflict increases due to everyone's inability to control everyone else's dissuasion. Pentagon experts note that when communication between the USSR and the U.S. was limited, it minimized provocative behavior. Fitchett continues: With territories like Asia and the Middle East, nationalistic passion and irrational behavior are reality. Those leaders frequently are autocratic and are ready to destroy their countries in a nuclear conflict just to satisfy their interests or territorial appetites. Even though the 1991 Iraq conflict showed the opposite (Saddam Hussein did not dare use chemical weapons under the nuclear threat of Israel and the U.S.), we cannot extrapolate this to a world where nuclear weapons are commonplace. We should not forget that nuclear conflict is not local and it can affect, as did the Chernobyl nuclear disaster, uninvolved third parties. This argument is not new—it is similar to the one used by French medical doctors, who in the name of protecting consumers are impeding the sale of drugs in supermarkets. Another argument holds that competition in airline services leads to an increase in accidents due to airlines' failing to invest sufficiently in safety under the pressure of competition. This has proven to be false. All defenders of monopolies and cartels use such arguments, including the one concerning nuclear weapons.

It is difficult to believe that a taxi drivers' monopoly protects consumers. But when a medical board announces that a monopoly benefits consumers, the public is persuaded. Indeed, reasoning is distorted when the arguments relate to our lives. In this manner, when we think about nuclear weapons we often lose our ability to think clearly.

Let's return to the economic argument. Before 1989 there was nuclear parity between the USSR and the U.S. We can regard this situation as a Cournot bi-polarity. The essential question of that time was the arms race in nuclear missiles. For a given level of Soviet armament, U.S. production of missiles to match it was profitable, measured in dissuasion capacity. The same way, for a given level of American offensive capacity,

matching it with nuclear warheads in the USSR was advantageous.

The intersection between these two functions is the Cournot equilibrium. The number of missiles being produced was very high. It was possible to improve outcomes for both adversaries through mutual arms reduction. If both parties agreed to reduce their arms while retaining dissuasion capacity, it would have been optimal for them not to miss the opportunity. From the beginning of the cold war we witnessed conferences on arms reduction and treaties on nonproliferation. Each side in such an agreement would have maintained a certain quota of missile production or brought stockpiles down to a level that maximized profits for both parties.

All those conferences between superpowers were simple agreements to optimize the tradeoff between costs and dissuasion. The failure of such agreements is intriguing. Why did they fail? Because agreements have to be respected. The majority of such treaties not only gave exact details concerning quotas but also the means to verify whether the quotas were respected. In other words, the issue of agreement or cartel created a prisoner's dilemma. An advantage was gained by the one who cheated while the other respected the agreement. This incentive not to respect the agreement explains the continuous failure of such agreements. The cold war was characterized by missile production at the Cournot point with attempts to reduce these arms at the equilibrium point. Only the disappearance of the USSR ended this strategic interdependence—the bi-polar structure disappeared.

Two Directions of Future Development

The U.S. retains a monopoly on nuclear dissuasion and plays the part of world enforcer, excluding international exchanges for countries seeking nuclear weapons. Such a position is costly, and the U.S. has no legitimate claim to such a role.

We should allow more and more countries to develop nuclear weapons.

The first lesson of history is that in the absence of an enforced monopoly, no agreement or cartel, even one organized by States, can survive. One of the best known examples is the oil cartel. The second lesson is that competition is the means by which we maximize our exchange profits. Nuclear arms possession is the most efficient defense of territory because it produces fear. It reduces armed conflicts and does not require many personnel. Such technology, as it becomes more affordable, will face increasing demand from countries with fewer resources. Such democratization is the result of competition.

I use the term "democratization" rather than "dissemination" to make a point. For many, "democratization" has a positive connotation. If a poor Iraqi or Pole can benefit from such protection it is "democratization." For a rich Frenchman or American it is "dissemination." For an economist it is competition.

The argument that an Iraqi, Pole, or Libyan is more irrational than a Frenchman is fundamental. This is the argument used against nuclear arms proliferation. It was evoked during the Gulf War. Saddam Hussein is not one of us, he does not share our values, and he is a murderous dictator, but he is not irrational or crazy. But those who share this point of view insist that we cannot extrapolate from Saddam Hussein's case. Yet if we follow their logic we will have to demonstrate that nondemocratic political systems constantly have as their leaders irrational and crazy persons. There is no proof of this. It would also have to be proven that democratic systems are immune to such phenomena. Hitler and National Socialists came to power through democratic mechanisms. Thus, this argument fails also.

We can link this theory to the one that prohibits citizens to carry firearms. The problem with this prohibition is that citizens are defenseless and the only armed persons are police, who often do not know how to shoot, or turn their arms against innocent civilians; or gangsters, who use their arms against citizens who have been disarmed by the State. We also see that within any given territory, relaxing gun laws leads to a reduction in crime. The mechanisms proposed to account for

this trend, shown most notably by John Lott,[12] are the same ones I propose will decrease violent multinational conflict following the free proliferation of nuclear weapons.

[12]John R. Lott, Jr., *More Guns, Less Crime: Understanding Crime and Gun Control Laws* (Chicago: University of Chicago Press, 1998).

5
Is Democracy More Peaceful than Other Forms of Government?

Gerard Radnitzky

Differential Advantage of Group Action

state, nation, and nation-state

There are situations ("games") of interaction where the best response to the expected best actions of others is a group response.[1] In exchanges where competition is less than near-perfect, the gain each makes is influenced by strategy. In bargained exchanges, individuals decide, and their action is voluntary. In "*takings*," the exchange is governed by force, intimidation, or fraud. Private takings we call "robbery," "blackmail," etc.; state takings we label "taxes," "inflation," etc. (permanent), or "war," "conquest," etc. (intermittent). Conventional wisdom assumes that group action is of superior efficiency to the action of individuals acting separately. And sometimes, group action is necessary to realize the aim. Sometimes the outcome is a mix of bargained exchange and taking.[2]

My thanks go to my friends Professors Antony Flew; Wolfgang Kasper, Canberra, Australia; Ralph Raico, Buffalo, N.Y.; and Dr. Josef Schüßlburner, Brussels, for valuable suggestions.

[1]Anthony de Jasay, *Social Contract, Free Ride* (London: Oxford University Press, 1989).

[2]An example is the so-called labor market in Germany, which is totally cartelized. A deal is made between the representatives of two big collectives–the labor union and the association of employers; since intimidation and display of power are important factors in the negotiations, the deal has elements of a taking.

A group must be formed and maintained at a certain cost. A group excludes some and includes others. The primary form of a larger group is the *linguistic* community; the communities range from clans (extended family) to tribes and, eventually, to nations. A nation is originally a linguistic community. In the wake of the French Revolution and the ensuing *democratization of war* (with the introduction of general conscription in 1793—one of the evils bequeathed to us by the French Revolution), *"nation" got its political connotation.* And with it, the ideologization of war followed, which culminated in the twentieth century, *when "democracy" became the new state religion,* and the enemy was *eo ipso* declared to be "undemocratic," i.e., an unbeliever. Wars became holy missions, crusades. Think of Wilson's slogan: "To make the world safe for democracy." In the totalitarian state, whether Soviet socialist, national-socialist, or a totalitarian democracy, war becomes total.

While in some situations group action is collectively rational, it is individually rational to take the free-rider option, if available. This is explained as the "prisoners' dilemma" that characterizes all "public"-goods situations. The choice example of a "public" good is external security, or national defense. *This makes the theory of public goods of great relevance to the problem of security production.*[3] To suppress the free-rider option, an agent is required that possesses the necessary enforcing capacity. Hence, it is rational for the nation to transform itself into a *nation-state*—a territorial monopolist in violence employing violence specialists, who are paid by taxpayers' money for the production of internal and external security (police and military). The standard assumption is that the military is too powerful to exist without state control. Nationalism—from patriotism to chauvinism—functions as a

[3]On the public-good theory, see Jasay, *Social Contract, Free Ride;* for a summary, see Gerard Radnitzky, "'A Cure for the Insatiable Appetite for Public Goods," *Cato Journal* 9, no. 1 (Spring/Summer 1989): 263–70.

means to overcome the dilemma of *the collectively rational being individually irrational.*

Mercenaries were paid, and hence there was no problem of motivation; and prisoners of war had a shadow price (ransom). In democratized war, both soldiers and prisoners of war lost their shadow prices, became worthless.[4] In wartime, conscripted soldiers have to be *motivated.* This is done with the help of nationalism and the ideologization of the war at hand. War became more cruel, and the civil population became not only involved but even the target. Thus, in World War II, Western terror bombardments of open cities of the enemy aimed at breaking the morale of the civil population by murdering as many of them as possible; in this way, soldiers could be spared—the Douhet theory, adopted by the RAF as early as 1918 and particularly favored by Churchill.[5] By the way, Churchill himself spoke of "terror bombing"—e.g., in his memo to Air Marshall Harris dated March 13, 1945. The twentieth century turned out to be the bloodiest and most cruel century in human history.[6]

Nationalism makes it a duty (a moral concept) to submit to the collective choices made by the political leaders for all members of the nation-state, a duty to submit to them for the sake

[4]B. Frey and H. Buhofer, "Prisoners and Property Rights," *Journal of Law and Economics* 31 (April 1988): 19–46; and B. Frey, "Property Rights in Prisoners of War," in *The New Palgrave Dictionary of Economics and the Law*, P. Newman, ed. (London: MacMillan, 1998), pp. 165–67. In antiquity the introduction of the institution of slavery was a humanitarian progress. Instead of massacres of the vanquished—think of the Old Testament—the defeated became slaves. The Latin word for slaves "servus" alludes to "servatus" (the saved, the spared one). Economic incentives produced the humanization.

[5]Ralph Raico, "Rethinking Churchill," in *The Costs of War,* John V. Denson, ed. 2nd ed. (New Brunswick, N.J.: Transaction Publishers, 1997), pp. 321–60.

[6]R.J. Rummel, *Death by Government* (New Brunswick, N.J.: Transaction Publishers, 1994).

of some putative "common good,"[7] and even to send people to die in war, often for the vanity of a few. Examples are Roosevelt's "almost childish vanity,"[8] or the vanity of persons immodestly believing themselves to be the instrument of Providence (e.g., Hitler, Stalin). In these cases, the link between benefits enjoyed and costs borne by any given individual is severed. Crimes are committed with a good conscience, since one feels to be the instrument of Providence—the mythological worldview (e.g., both Hegel and Ferguson used such a mythological theory on a theistic basis to explain certain historical developments). Collective choice inspired by nationalism gets entrapped in irrationality—not to speak of the morality of collective choice, as such, imposing the choice of some claiming to represent the collectivity on everybody, thereby establishing a coercive order. Here too it turns out that collective choice—which must be nonunanimous since otherwise it would be pointless—is always morally tinged, a sort of fall from grace. Edmund Burke said it best in 1756: Politics. "The thing, the thing itself is the abuse!"—*hence, resorting to politics should be avoided whenever possible.*

THE PROBLEM OF THE "UNIT OF AGENCY"

Action in the full sense presupposes the ability to choose. Only individuals can decide their course of action—i.e., decide in the commonsense meaning of "decide." Man is a chooser and cannot but choose. A collective entity—a group, a nation, etc.—chooses a course of action only in a metaphorical sense. This difference is the root problem that bedevils holism. In order to act, a collective entity requires a recognizable "unit of agency."[9] That agency needs sufficient power and legitimacy

[7]Jasay, *Social Contract, Free Ride.*

[8]W.H. Chamberlin, *America's Second Crusade* (Chicago: Regnery, 1950), p. 384.

[9]Anthony de Jasay, *Against Politics: On Government, Anarchy, and Order* (London: Routledge, 1998).

(for the group in question) to "represent" the collective entity. Even under inherited authority, a monarchy, and, strikingly so, in a majoritarian democracy, the "unit of agency" is problematic, since the group is nonunanimous. (That individuals cannot have identical sets of interests follows from the concept of individuality.) Thus the *problem of group identity* arises. In states as we know them, people are born into a state, and as adults they are forced to risk their lives in war. Groups are not allowed to choose some other "unit of agency" than the state in which they live and the citizenship which they have, unless they leave the territory of the state.

To illustrate the point, we can start from "exchanges." They are by definition voluntary. Exchanges, even nonsimultaneous, function most of the time, because the parties to the exchange have a reputation at stake. Failing this, there are alternative ways of enforcing compliance: from self-help and group conventions to bought help and recourse to the state as an ultimate enforcer. To the parties in an exchange, the state offers to enforce the contract in case of need. However, a rational agent will shop around for the possible providers of enforcement. Some may be more powerful, some more costly, and so on.

The same holds, *mutatis mutandis*, for the production of security. A rational agent will shop around for possible providers of security. With respect to internal security, it is generally recognized that this is so. Most often, the violence agency that supplies internal security is the state, *though it need not be the state.* For instance, a private police is often more effective and less costly; hence, it is a growth industry. This is generally acknowledged. By contrast, it is generally asserted—except in libertarian circles—that the production of *external* security can only be delivered by the state. This claim is supported by pointing out that states are the most powerful of the potential providers. That this is so, however, is a contingent fact of history. In principle, there is no decisive difference between internal and external security.

Some Anthropological Considerations on War

Social life also involves conflict. The interests of individuals living in a group cannot be identical. Conflicts occur between individuals, between subgroups of the group, and between groups, often organized in nation-states. The type of conflict solution varies with the social order in which individuals, groups, etc., participate. On the level of individuals and face-to-face groups, there are in principle three types of possible tactics: (a) rational discussion leading to a compromise based on the cost-benefit analysis made by each of the parties; and if that fails, (b) persuasion—a precursor to propaganda in conflict between states; and if that fails, too, (c) one of two options—"flight or fight." This model or pattern can be easily transposed to the level of collectives. Conflict is a case of prisoners' dilemma in which, almost by definition, the cooperative strategy is not followed.

In the history of mankind, population pressure—overpopulation relative to the resources of the territory at a certain period of time—normally found two outlets: emigration and war. We speak of gang wars, tribal wars, etc. However, *the prototype of war is war between nations or groups of nations. Such a war presupposes a sufficient degree of organization and centralization.*

Enter the state. States are roughly defined as the last (highest) instance of power, against which there is no appeal to another instance. The state is a territorial monopolist in violence, and it declares its violence to be "legitimate." Coerciveness or its absence is not a defining characteristic. The state would be a state even if, *per impossibile*, the social contract were a tenable theory. (Jasay[10] demonstrates that this is not the case, that it leads to an infinite regress.) Clausewitz's dictum—"War is the continuation of politics by other means"—is generally accepted; but the converse—"*Politics* is the continuation of war by other means"—also holds.

[10]Ibid., chap. 1.

The market is based on individual choice, whereas politics (excepting extreme autocrats) is based on collective decision. "Collective decision" is short for nonunanimous decision. The expression "politics" signifies such decisions. Jasay puts forth the thesis: "All nonunanimous politics—and unanimous politics would of course be redundant, and an oxymoron—is redistributive."[11] Only a minor part of redistribution is explicit transfers. Subsidies and other protective measures, such as regulations and various privileges, have redistributive consequences: besides material and financial resources, positions, privileges, prestige, etc., are redistributed. That politics is redistributive is particularly clear when the democratic method of decision making is being used. The situation in media-soaked mass democracy is epitomized by Jasay's dictum:

> If much of this [contractarian] reasoning is baseless, and the state is simply an enforcing mechanism to enable a winning coalition to exploit the residual losing coalition without recourse to violence, the delusions of necessity and convenience are of course an aid to the efficiency of the process.[12]

The course of history can be summarized thus: Politics emancipated war and democratized it. That development started in the aftermath of the French Revolution when, in 1793, general conscription was introduced. France was the forerunner. Prussia reluctantly followed in 1812, considering conscription the only viable answer to the French innovation. As mentioned earlier, conscripted soldiers had to be motivated. Nationalism anchored in ideology served that purpose.

For the politicians, the tacit motivation was imperialism. Examples are the British Empire and the Russian imperial aspirations. Later, democracy (as a value) served as a substitute for

[11]Ibid., pp. 3, 154.

[12]Ibid,, pp. 2, 164.

and as a successor of imperialism. Woodrow Wilson's famous slogan legitimizing America's intervention in World War I—"To make the world safe for democracy"—illustrates the mood: democracy becomes the new, secular salvation doctrine—from President Wilson, to George W. Bush, Sr.'s "New World Order," and to Clinton's declaration of commitment to it. Present U.S. foreign policy initiatives are based on the democratic-peace doctrine. We will return to this topic in the section Democracy as State Religion and War.

In Jasay's memorable wording: "States are an imposition, sometimes useful, sometimes a millstone, always costly, never legitimate, and never a necessity for binding agreements."[13] So far, the problem of collective action has not been solved. Hence, we should examine alternatives: the *guiding maxim* is (if a state and politics cannot be avoided) to make the domain of politics as small as possible, and also examine alternative, self-enforcing voluntary social orders.

DEMOCRACY

NATURAL VERSUS ARTIFICIAL METHOD OF SOCIAL CHOICE

What methods are available for cooperative solutions to problems of nonunanimous "social choice"? Following Jasay,[14] I divide the set of possible methods into two subsets: *natural versus artificial method of social choice.*

The natural method

When using this method, the parties in the collective-decision problem assess the strength of either side and declare the question resolved in favor of the stronger-looking force.

[13]Ibid., p. 36.

[14]Anthony de Jasay, "Values and the Social Order," in *Values and the Social Order*, Gerard Radnitzky and Hardy Bouillon, eds. (Aldershot, U.K.: Avebury, 1995), vol. 1, chap. 1.

Examples are chess, analyses of unfinished games, and above all, well-run committees reaching unanimity without voting (the debate having revealed the relative strength of the opposing positions). Military strength, economic influence, access to the media as means of mass persuasion, etc., are used to assess the relative strengths. Often, the solution is published and adorned with the claim that the debate was made to find out "what 'the Community' really wants."

The "natural" method has certain advantages: (1) It is obvious to the parties that the discounted value of cost of social choice (to find a solution that reflects the balance of forces and interests) is infinitely greater than by procedural method; hence, on balance, fewer social choices are imposed; you legislate less. (2) The "natural" method is a rigorous screen, a filter; it lets through only those social outcomes that are said to be Pareto-superior. "Pareto-superior" is the received wisdom, but, if strictly applied, it will hamper innovations, impede progress.

The artificial method

The "artificial" method rests on the assumption that the method can be legitimized by recourse to consent in advance to accept the outcome of a *mechanical* procedure. This method has the advantage of being very simple to handle, much like the input into a sort of sausage machine. It has also certain disadvantages, however: (1) It makes the process appear very inexpensive; hence, it implies a temptation to use the method often, to legislate more. (2) The outcome—any outcome, or the mechanical product of applying the procedural rules—is evaluated as "good," no matter how crazy it may be. Thus, instead of providing a rigorous filter, the procedural approach proceeds by a categorical value judgment declaring any outcome of the method as "good," because it was reached by the "right" method.

In spite of its great popularity, constitutionalism is untenable. Constitutional rules, the rules for rule making, cannot be above collective decision. Agreeing to procedures irrespective of the outcomes that might emerge from them is unreasonable

(Norman Barry). It misses the point: that *it is substantive rules* that make a liberal constitution ("liberal" in the classical sense), something that James Buchanan also concedes. Agreement to a mechanical procedure, a constitution, is like a "contract" with oneself, i.e., not enforceable.[15] The constitution is like a chastity belt of which the lady herself has the key (Jasay). It is but a vow: "society" vows to respect it, but most respect it only so long as they believe that it is respected by most. *How could one think that the rules constraining politics are somehow above politics?* As the mentality of "society" changes, the social forces associated with that mentality change and, with them, the constitution. (The U.S. Constitution is a striking example; the Supreme Court has changed it beyond recognition.)

The paradigmatic example of the artificial method is the *democratic* method of collective decision making. General elections allegedly serve as the best procedure to identify the "general will"—what the principal, "the people" or "society," wants. The government is the agent of the principal. As with any procedural method, the democratic method founders on the general impossibility of solving substantive problems by means of procedural method. Hence, so far as logical analysis is concerned, the theme can be closed; but let us look how it is dealt with in real life, exposing the tricks used.

How is the input—how are votes—made commensurable? By abstracting from all the naturally occurring elements of a decision problem bar two: the alternative put up for question, and the numbers of votes cast for each. You abstract from who cast them, the intensity of preference or the weight of concern, differential in contribution or in risk taking, relevant knowledge, etc. *Vote aggregation* is legitimized by the argument that votes and voters are homogeneous. How can they be made homogeneous? *By going up to a more general level of classification* when describing them: plums and walnuts become commensurable units of counting if considered as fruits; morons

[15]Jasay, *Against Politics*, p. 134.

and intelligent people are equal in the relevant sense, if considered as members of the same *biological* species.

Once the principle of simply adding votes has been agreed upon, majority rule alone is possible. Because of the dynamics of the democratic process, any collective-decision rule requiring some qualified majority is vulnerable to erosion. (By maximizing the losing minority, the winning majority can maximize its redistributive gains.) The marginal blocking voter can always be overcompensated from the loss to be imposed on the extramarginal ones. The poorer 50-percent-plus-one voter whose exploitation of the richer half appears to be an equilibrium. Rational players operating under the incentives of a democratic constitution will maximize payoffs in two ways: (1) redistributive *direct* payoffs, when shaping legislation in the political process (within the metarules); and (2) redistributive *indirect* payoffs that become available by changing the master rules (constitution). They learn to choose a constitution that maximizes the scope for redistributive legislation. The inherent dynamics of democracy (presupposing unqualified franchise and rational players) lead to *unrestricted domain and bare-majority rule*. That means it leads to unlimited democracy; it imposes dominated choices (coercion). Democratic metarules are no guarantee against totalitarianism (*pace* Jim Buchanan). No constitution can provide such a guarantee.

Disadvantages: (1) The method can only express ordinally ranked preferences. It cannot express cardinal preferences; it suppresses them. (2) The arithmetic operation of *vote aggregation* is *meaningless* (in the same way as interpersonal utility-aggregation). As a method of finding out what the holistic actor, "the society," wants, it is meaningless; it is meaningful only as a method of head counting.[16] Vote aggregating is misleading. Under the pretense that the result is only the "sum of its parts,"

[16]Arithmetic's applicability to physical objects is relative to the domain—for instance, addition as putting together functions with respect to a set of walnuts, but not to a set of mercury drops.

it smuggles in a holistic value: "society's choice." There cannot be such a thing because of the underlying conflicting interests of the various group members (different individuals cannot have identical interests). If you abstract from the real individuals, the fictitious entity of "the society's" choice remains like the smile of the Cheshire cat—it has no ontological status, is not even a conceptual entity, since it is an inconsistent construction.

Democratic-choice rule is immunized against criticism by introducing a persuasive definition. "Democratic" is now used in a *second sense*, viz., mainly evaluatively—to lift the outcome (any outcome) on the *moral* high ground, by moralizing. It is declared to be good since it expresses "the will of the people." Apart from the fact that this is ontological nonsense, it commits the so-called "naturalistic fallacy"—of the "ethics of consensus." Often a spurious relationship between prosperity and democracy is invoked. This claim may function like a cargo cult: Journalists often suggested that, if only "democracy" would be introduced in one of the ex-communist East-bloc states, shops would suddenly be well stocked with various merchandise.

This can illustrate the claim made by Jasay,[17] namely that socio-political evolution appears to have come full circle. Holistic values—i.e., values attributed to a holistic actor ("the people"), such as "social justice,"[18] "equality of outcome," etc.—are appealed to in order to erode and override the very property rights that a social order is intended to protect. We have indeed come full circle—from the protective state (the *Privatrechtsstaat*) to the redistributive-productive state. Hence, the phenomenon of "Our Enemy the State."[19]

What are the arguments in favor of unqualified franchise? Suppression of relevant characteristics of voters is claimed to

[17]Jasay, "Values and the Social Order."

[18]See the classic Antony Flew, *Equality in Liberty and Justice* (London: Routledge, 1989).

[19]Albert J. Nock, *Our Enemy, The State* (San Francisco: Fox and Wilkes, [1935] 1992).

be a virtue, in the name of a peculiar moral principle of equality—i.e., one possible version of it, based on membership in the same biological species. One can formulate *more plausibly other equality axioms* that would require giving some people more votes than others, depending on the person and on the question to be decided, or both. Unqualified franchise is nothing more than a sacred cow—one of the myths of our age (see The Political Use of the Democratic Peace Thesis, below). Presumably, the myth originated in the military context: since every citizen has to risk his life, everybody should have the same vote. The mendicant order provided a model system.

PRACTICAL EVALUATION OF THE DEMOCRATIC METHOD

The democratic method tempts you to expand collective choice, because it appears to be so simple to use and almost costless (a facile mechanical process). *It invites* you to sin—*galloping interventionism.* The consequences: Because of the redistributive bias of democratic constitutional rule, it transforms the state into a vast redistributive machinery and the society into the "churning society"—interventionism, welfarism, collectivism—with consequences that go far beyond anything known under predemocratic social choice.[20] That the direction is egalitarian, however, does not entail that the end result will be so.

Democracy is not a satisfactory normative political theory. From the viewpoint of the free society (as regulative principle), the *same holds for any procedural method.* Nonunanimous social choice is morally tainted *per se*, since it imposes dominated choices on some part of the community. The democratic method proposed as a solution to the problem of social choice hides the problem. There cannot be a procedural solution, since

[20]For instance, Sweden's high-tax society; in Germany since 1993 the average taxpayer has to work until about July for the state, i.e., only after that date may he dispose of his income individually.

the problem is not procedural. *The problem of social choice is substantive.* Which choices, if any, may legitimately be imposed on a dissenting part of the community? *The practical problem* is how to avoid making recourse to social choice too easily attainable—*how to forestall the tendency to turn economic or legal problems into political problems.*

In summary, there are no neutral metarules: Every rule (whatever its level) favors identifiable interests. The majority rule, for instance, leads to a redistributive order. If it is taken as sufficient condition for social choice, it transforms politics into a *three-person "distribution game."* A majority of two can, by agreeing, dispossess the third. A pure (ideal-typical) majoritarian democracy will end up taking all of everyone's income under one set of distributive measures and returning the same income to everyone under a different set of measures, whether in money or in kind (*de facto* public goods). The end state will be roughly the same as in ideal-typical fundamentalist socialism—as Ludwig von Mises predicted in the '20s.

While the above-mentioned three-person "distribution game" is unstable, going round in circles (a circular shift in the role of the dispossessed), the "*golden egg*" version can be stable for decades. Sweden is again a good example. The geese laying the golden eggs have been the multinational companies—and the finance minister, Gunnar Sträng, often declared to the social-democratic comrades who wanted more of socialism that the "golden-egg goose" had to be treated with caution, that it must not be starved to death or forced to emigrate. The general idea remains, however, that some part of society uses the procedural social-choice rule to gain income, wealth, or opportunities at the expense of another part. A popular label for this system is "social market." The private market should produce the national income; then the state redistributes it according to its ideology. Ludwig von Mises called it the latest version of interventionism.[21] It jibes perfectly with social-democratic values. At

[21]Ludwig von Mises, *Human Action: A Treatise on Economics*, 3rd rev. ed. (Chicago: Henry Regnery, 1966), p. 723.

best, the social-market version of democracy slows down society's motion toward the aforesaid stage of a pure "churning society," and nothing more.

The development toward a pure "churning society" can also be slowed down from "below." If the winning coalition abuses the potential offered by the majority rule too much, the taxpayers no longer feel bound by decisions that owe their legitimacy merely to the fact that they were reached in a procedurally correct manner. Their reaction will be fight, flight, or fraud. They will transfer their capital abroad, move their production to other countries, emigrate, or, if remaining in the country, either go into the unofficial economy, the parallel economy, or simply work less.[22] *Tax revolt, emigration, etc., demonstrate the ultimate contestability of procedurally correct decisions that defy the underlying power relations.* This phenomenon can be interpreted as a surfacing of what Jasay labeled "the natural method" of collective choice. Existing power relations make themselves felt, even if officially the majority-rule democracy reigns supreme. It shows that there are limits to "popular sovereignty."

Meltzer and Richard[23] and others have claimed that there is an *endogenous barrier to redistribution*—given rational agents. The winning coalition—a *holistic* actor—finds that restraint is in its interest: the slice of the large pie (its share of a large national income) is larger than the larger slice of the smaller pie (its larger slice of a national income that has been reduced due to increased redistribution). However—as Jasay has pointed out—this cannot be translated into the behavior of the *individual*

[22]Again, Sweden is the choice example. At the end of the 1960s and beginning of the '70s, it experienced an enormous outflow of capital and human capital, emigration of firms and professionals, a substantial growth of the unofficial economy, and a record of absenteeism (forcing enterprises to overstaff by 10 to 25 percent).

[23]Allan Meltzer and Scott Richard, "A Rational Theory of the Size of Government," *Journal of Political Economy* 89, no. 5 (1981): 914–27.

voter: he would have to correctly balance, at the point of marginal equivalence, his expected redistributive gain against his *personal* share in the loss of national income due to redistribution. It is so implausible that the voter can do this that the claim has to be rejected. It is based on a sort of "fallacy of composition."

Instead of hoping for an endogenous barrier to redistribution, it is plausible to predict that we will in the future witness a sort of *historical wave pattern* similar to that which we have seen in recent years. Creeping socialism (e.g., under the heading of "social market") leads to ever more-complex, ever less-transparent redistribution. At some point in time, a large mass of voters will blame the redistribution for the palpable deterioration of the economy, of material wealth, and of the moral underpinnings of the market order. There are recent examples: England in 1979, the U.S. in 1980, and even Sweden in 1991. Then attempts follow to roll back the welfare habit and to reduce the share of public expenditures and taxes. After a while, creeping socialism again gathers momentum. It is a plausible conjecture *that this historical wave pattern will continue to show so long as we practice the democratic social choice rule based on unqualified franchise.* And there certainly are no signs that a remolding of the manner of franchise might become "politically possible." It certainly could not be overcome with the help of the democratic method. The political parties will hinder a structural change that diminishes their income.

The dilemma of the democracy-induced "Churning Society"

Sweden is probably the best illustration of the predicament of the advanced churning society: bare-majority rule (and unqualified franchise) in combination with an absolute majority of the franchised voters deriving their livelihood from public funds. Thirty-six percent of adults are productively employed (7 percent self-employed and 29 percent privately employed); 27 percent are employed in the public sector, in the tax-financed welfare complex of state education, health, social services, public transport, etc.; 34 percent are clients of the state (students, pensioners, the unemployed, etc.); and 3

percent are clients of the civil society, i.e., they cover most of their outlays with the help of husband or wife or other relatives (once a large group, they get fewer and fewer). That means that only just over two-fifths of the adult population over 17 and under 65 is gainfully employed.[24] Never have so many had so few to thank for so much. *A change of the system would presuppose a change of lifestyles*—and also the slaying of a few of the sacred cows, among them the principle of unqualified franchise.

COMPARING DEMOCRACY AND MONARCHY

It may be instructive to have a look at these typical institutional frameworks before attending to our title question. In a seminal paper, Hans-Hermann Hoppe[25] made a comparison between democracy and monarchy.[26] I prefer to interpret the descriptive concepts Hoppe uses as *ideal-typical* concepts. Interpreted in this way, his theoretical analysis of the incentives structures of each is highly illuminating. Whether the concepts can also be interpreted as statistical concepts is a question that must be put to the historians. To interpret them as classificatory concepts invites criticism from the historians, who easily can find some counterexamples. Let us have a look at democracy in some typical scenarios.

[24]Hans L. Zetterberg, *Before and Beyond the Welfare State* (Stockholm: City University Press, 1995), pp. 53 ff.

[25]Hans-Hermann Hoppe, "The Political Economy of Monarchy and Democracy and the Idea of a Natural Order," in *Values and the Social Order*, Gerard Radnitzky and Hardy Bouillon, eds. (Aldershot, U.K.: Ashgate/Avebury, 1997), pp. 351–76.

[26]See also Gordon Tullock, "Autocracy," in *Economic Imperialism*, Gerard Radnitzky and Peter Bernholz, eds. (New York: Paragon House, 1987), pp. 365–81.

AS A PROTECTOR

The Korean War

The Korean War[27] provides an example. First, a solemn guarantee by the president and Congress that, in case of an act of aggression by North Korea, the U.S. would immediately respond with nuclear weapons. When the blatant aggression occurred, the U.S. did nothing (only later did it send ground forces). Gordon Tullock convincingly argues that the U.S. threat was not taken seriously by the North Koreans. Only when Eisenhower made the threat of nuclear retaliation credible was a peace treaty signed. Had a credible threat been expressed earlier, it would have saved the lives of a couple of million South Koreans.

Vietnam

America got involved by unnecessarily acting as a guarantor of the peace treaty concluded between the French and Vietnam. The U.S. then sent advisers, followed by arms, and eventually soldiers. In January 1973, President Nixon gave the president of South Vietnam, Nguyen Van Thieu, the assurance that the U.S. would immediately come to his assistance if and when North Vietnam violated the treaty.[28] Congress refused to honor the guarantee.[29] After the U.S. Congress, in an act of

[27]Gordon Tullock, "The Economics of Conflict," in *Universal Economics*, Gerard Radnitzky and Peter Bernholz, eds. (New York: Paragon House, 1992), pp. 301–13.

[28]That letter is to be found in Nguyen Tien Hung and Jerrold Schecter, *The Palace File* (New York: Harper and Row, 1988), pp. 113–15.

[29]Leslie Gelb, *The Irony of Vietnam* (Washington, D.C.: Brookings Institute, 1979); H.R. McMaster, *Dereliction of Duty: Lyndon B. Johnson, Robert McNamara, the Joint Chiefs of Staff, and the Lies that Led to Vietnam* (New York: Harper Collins, 1977); F. Charles Parker, *Vietnam: A Strategy for a Stalemate* (New York: Paragon House, 1989).

shocking dishonor, simply cut off aid to the Republic of Vietnam, South Vietnam collapsed. The "irony" was that it was declared a victory for democracy: In order to win the elections, the political parties were prepared to do anything, including stage a treacherous "peace."

AS AN ALLY

During the Vietnam War, the American military fought only under crippling restrictions. The mass media and the political parties requested that the war be conducted "democratically." It was indeed conducted in a ridiculous way: no sea blockade, no destruction of enemy supply lines, and so on. The U.S. had forgotten the lesson from World War II—namely, that the terror bombardment of large cities was militarily worthless, a waste of resources, whereas the destruction of railroads in 1943 crippled the German logistics and proved decisive. The leftist media succeeded in provoking a veritable anti-Vietnam hysteria. In addition, Robert McNamara's memoirs[30] confirm the view that his mismanagement of the Vietnam War played a crucial role in the U.S. "defeat."[31] Senator Wayne Morse significantly labeled the Vietnam debacle "McNamara's war"—the cost wrongly calculated and the military actions sabotaged.

IN PEACE TREATIES

The U.S. decided both world wars. Wilson's gravest error, even crime, was that he destroyed the European monarchies. World War I destroyed the "natural enemies" of Russia: the German monarchy and the Habsburg monarchy. Wilson's inconsistent conjunction of "democracy" and self-determination proved destructive. After that, it was no longer possible to conclude a peace treaty in the way it had been earlier. First, the

[30]Deborah Shapley, *Promise and Power: The Life and Times of Robert McNamara* (Boston: Little, Brown, 1993).

[31]Incidentally, McNamara is a good example of how misleading game theory and statistical analysis can be, if conclusions are arrived at without taking the political environment into consideration.

monarchies were often related to each other by family relationships and by their common interest in retaining that form of government. Second, but even more important, a monarchy is more likely to respect agreements. Why? Any political party that has come into government position after a lost war will be weak. The opposition can use the unpopular peace treaty as a powerful weapon against the government. (Versailles was one of the necessary conditions for the rise of Hitler.) Moreover, the opposition can break the treaty without scruples, since it has not signed it. The situation of a dynasty is drastically different. By breaking the treaty, it would lose face, disavow itself. Remember that, according to Montesquieu "honor is the key principle of a monarchy."

Parameters of a Social Order that Govern Its Propensity for Being Peaceful or Belligerent

A. *The more individualistic (and market-oriented) a social order is, the less prone it will be to be belligerent.* Conversely, the more collectivist the mood in a society, the greater its propensity for bellicosity.

B. *Every social order has some (one or more) totalitarian aspects.*[32] The more decisive such aspects are for the general mindset of the social order in question, the more belligerent that order will be. A maximum will be reached in societies that have supreme values, that have absolutized their central values.[33] The mindset of such a society is dominated by doctrines declared sacrosanct; consistently, official deniers of the central

[32]Gerard Radnitzky, Introduction to *Values and the Social Order*, vol. 3: *Voluntary Versus Coercive Orders* (Aldershot, U.K.: Avebury, 1997).

[33]Peter Bernholz, "Supreme Values, Tolerance, and the Constitution of Liberty," in *Values and the Social Order*, Gerard Radnitzky and Hardy Bouillon, eds. (Aldershot, U.K.: Avebury, 1995), vol. 1, pp. 235–50.

doctrines declared "state truths" are persecuted as heretics.[34] Examples are societies governed either by religion (the Crusades of the Middle Ages, the various "Holy Wars") or by the successors of transcendental religion, the secularized religions (Raymond Aron's *réligions séculières*). The choice example is, of course, the wars in the wake of the French Revolution. When conscription was introduced in 1793, the soldiers had to be motivated. This was achieved by invoking nationalism, chauvinism—by teaching soldiers and population to hate the enemy, which was demonized by atrocity propaganda characterizing them as "nonhuman."[35]

In the West, "democracy" (vague and undefined; roughly, "one man, one vote") has become the state religion. Dewey recognized this development as early as 1920 ("If you commit to democracy, it takes on religious value"). Democracy goes with redistribution. Remember Anthony de Jasay's memorable words: "The state is simply an enforcing mechanism to enable a winning coalition to exploit the residual losing coalition without recourse to violence."[36] Democracy and socialism (egalitarianism) are two sides of the same coin. *Thus, "social-democratism" has become the new state religion in the West.* One consequence of this development is the great popularity of the thesis that democracy is more peaceful than other forms of

[34]The Federal Republic of Germany (FRG)—a model democracy—may serve as an example—chilling or amusing, as you please. Thus, "the *New York Times* of 27 March 1998 expressed shock at the destruction of German liberty. More German intellectuals are now incarcerated by the German state than under East German communist rule in the 1980s," quoted in Paul Gottfried "Under Western Eyes," *Chronicles* (August 1999): 29. The gap between constitution and reality has become wide. An independent German source provides documentation on cases: the German quarterly journal *Das Freie Forum* of the Gesellschaft für freie Publizistik (Society for Free Journalism).

[35]The choice example from modern history is the pronouncements of Soviet propagandist Ilya Ehrenburg.

[36]Jasay, *Against Politics*, p. 2.

government. I will examine that thesis later in the section "The Thesis: Democracy Is More Peaceful Than Other Forms of Government." For the moment, let's just note that totalitarian democracy (Jacob Talmon)—a special case of a totalitarian social order—will be highly belligerent. Only after Pericles had the unreserved support of the Athenian People's Assembly, which possessed absolute power, did he become a warmonger.

C. *Owners of larger property will recognize that, in case of war, much is at stake for them*, and hence they will rationally be risk-averse. *Mutatis mutandis*, the same holds for the top military men.[37] Hence, the more influential these forces are in a social order, the more peaceful that order will be.

D. *The more visible the costs of war are in financial terms—and, above all, the more promptly they are felt by influential forces (in a democracy, especially the vote-providing interest groups)—the greater will be the pressure on the government to withdraw from the war.* A good recent example is the harmless prime minister of Australia, John Howard, who embarked on the war game in East Timor—which met with the clamoring of various interest groups like the churches, the Greens, and the foreign-aid lobby—and reacted by imposing a "Timor tax levy." As soon as the public became aware of the costs of the intervention, they immediately became peace-loving, and Australia could quickly hand over the costly business to the U.N. In summary, cash payments for the financial costs of war are peace-promoting; war loans (temporal and even intergenerational redistribution) facilitate bellicose behavior of politicians; and the transparency of politics is peace-promoting (see "Describing Social Orders" below, the historian Joll's analysis of British politics).

Since parameters A through D apply to all social orders, they set the background for an examination of the thesis: "Democracy is more peaceful than other forms of government."

[37]There are exceptions. For instance, before the outbreak of World War II, a top-ranking Polish military delegation visited the French general staff and shocked it by declaring that in case of war, the Polish army would be in Berlin in three weeks.

The Thesis: "Democracy Is More Peaceful Than Other Forms of Government"

ON THE FORMULATION OF THE DEMOCRATIC PEACE DOCTRINE

If the thesis "Democracy is more peaceful than other forms of government" is universally quantified ("All democracies . . ."), it is falsified by a single counterexample. If it is formulated as a tendency statement, testing it requires statistical investigations. And if taken as asserting that democracies do not often initiate wars against others, it is immediately falsified, since this has happened innumerable times. Therefore, its scope is restricted, while its specificity is increased: "Democracies do not make war against other democracies." That thesis has become the received wisdom and has been influential in guiding U.S. policymakers as well as scholars of international relations.

Therefore, as we would expect, the first gambit in a conflict will be that each side of a conflict will declare that its opponent ("partner in a potential conflict") is not "really" a democracy and will use the popular-populist definition (explication of the concept): "one-man–one-vote" rule, and elections at regular intervals. Hence, the first bone of contention will be the definition of the concept of democracy.[38] For a bellicose democratic

[38]It is instructive to see how top politicians in model democracies use the concept of democracy. A good example is the long-term minister of foreign affairs in postwar Sweden, the Jura-professor Östen Undén. He insisted that the Soviet Union was a "rule-of-law state" and that the "Swedish model" should demonstrate to "countries under the 'dictatorship of the proletariat' that the transformation of the economic structure of society aimed at in these countries (i.e., total state control of the economy) could take place while keeping *a genuine political democracy.*" (Jacob Sundberg, *High-Tax Imperialism*, 2nd ed., Position Paper no. 51 [Stockholm: Institute for Public and International Law, 2000], p. 368.)

president, this gambit is naturally the opening move. The concept of democracy becomes a jellyfish; you define it in such a way that the other party to the conflict automatically becomes a "nondemocracy." In this way, the statement "Democracies do not make war with each other" becomes a truism, an analytic sentence without content of empirical information.

In his latest book, John Rawls, the justice expert, introduces a classification of states into "decent" ones and "outlaw states."[39] The criterion of evaluation is whether or not a state has "just" political institutions. The idea underlying Rawls's "vision" of a world of "decent"—i.e., democratic—states (or, more accurately, social-democratic states) is the Kantian *foedus pacificum*. It is a world in which Kant's vision of his 1795 essay "Toward Perpetual Peace" has been realized: the ideal of a universal community of all peoples—or, better still, of the "family of nations," where all wars are, by definition, family quarrels licensed by the U.N. in the same way in which the medieval pope licensed wars. The idea of a social contract (which with logical necessity leads to an infinite regress)[40] is extended to the "Community of Peoples," and the terms under which "decent" societies may wage war against an "outlaw society" are explored. Economic institutions are not even mentioned; from Rawls's moral high ground, they become negligible. As in Rawls's 1972 *The Theory of Justice*,[41] the whole argument is based on circular reasoning. Rawls uses again the fiction of the "veil of ignorance," whereby his zombies (who do not know their temperament and nonetheless play minimax strategy) are invested with exactly those properties that are needed to reach the outcome desired by Rawls.[42]

[39]John Rawls, "The Idea of Public Reason Revisited," in idem, *The Law of Peoples* (Cambridge, Mass.: Harvard University Press, 1999).

[40]Jasay, *Against Politics*, chap. 1.

[41]John Rawls, *The Theory of Justice* (Cambridge, Mass.: Harvard University Press, 1972).

[42]Antony Flew, "Who Are the Equals?" *Philosophia* (Israel) 9, no. 2 (1980): 131–54; Gerard Radnitzky, "John Rawls' 'Theorie der

The idea that a world government would be an ideal situation has appealed to philosophers. In reality, such a situation would be a nightmare. If violence were an industry that operated under increasing returns to scale, there would indeed be a tendency toward one World State. Fortunately, the tendency is exactly the opposite: the number of states waxes and wanes unpredictably, with some large states breaking up, and some small ones trying to unite.[43]

When we see that Rawls—"the most important political philosopher of the twentieth century" (Thomas Nagel in *New Republic*)—is totally confused philosophically, we are not astounded when top politicians advance confused and paradoxical arguments. For example, Chancellor Kohl of the Federated Republic of Germany argued that the European Union with a single currency is indispensable as a precaution against future wars between European democracies, while at the same time he endorsed the thesis that democracies do not wage war against other democracies. Chancellor Kohl's inane argument is already falsified by the American Civil War (more correctly: "War of Secession"), a war between states with a single currency. (Kohl also announced the end of the nation-state, ignoring the fact that the U.N. started with about 50 members 50 years ago and had about 100 when Kohl made his announcement.)

Philosophers often ascribe the thesis "Democracies do not make war against other democracies" to Kant. This is a misinterpretation of Kant. (1) When, in 1795, Kant conjectured that democracies will tend to be more reluctant than dictatorships to fight anyone at all, he cautiously declared that this applied only to democracies that were also republics. For Kant, "republic" meant the separation of powers. (2) The U.S. Constitution

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Gerechtigkeit': Egalitarismus im Philosophischen Gewand," in *Die Enkel des Perikles: Liberale Positionen zu Sozialstaat und Gesellschaft*, R. Baader, ed. (Gräfelfing: Resch, 1995), pp. 33–49.

[43]Jasay, *Against Politics*, p. 211, n. 11.

of 1787, Article IV, Section 4, "guarantees to every state in this Union a Republican Form of Government." The word "democracy" is mentioned only *en passant* in the Constitution. At the time, however, the concept of "republic" was used in such a way that, e.g., the Polish monarchy was always described as a "republic." (3) In the interpretation that is popular today, Kant's hypothesis is easily falsified; for instance, Britain conducted two world wars (and innumerable others) without changing its constitution. (4) Most important of all, Kant's conjecture as it is interpreted today is not only falsified by history, but is also conceptually mistaken: *democracy as a form of government legitimizes a concentration of power, something which,* per se, *facilitates warmongering.*[44]

The idea of an intrinsic link between democraticness and peacefulness appeared relatively late in history. Thucydides ascribed the worst atrocities in the Peloponnesian War to the cruelty of the democratic masses of Athens. The French Revolution's cult of the ancient world admired, not peaceful democracies or republics, but bellicose states, and it spoke of "just" wars of aggression. Linking peacefulness with democracy or republic is an idea that originated in the classical liberal–economistic insight that an increase in trade between states reduces the probability that those states will begin a war with each other. Thus, *peacefulness is indeed a characteristic of free, individualistic, market-oriented political structures*, where

[44]An example of the concentration of powers is the model democracy Sweden (with a symbolic king). It is governed by an almighty parliament; the *maître à penser* of Swedish social democracy (the philosopher of law Hägerström, the Jura-professor Östen Undén, and others—the so-called School of Swedish Realism) declares that the citizens should possess exactly that property which the parliamentarian majority of the day thinks they should possess, since "property" is but a "functional concept." (Cf. Sundberg, *High-Tax Imperialism*; Jacob Sundberg, "Human Rights in Sweden," *Ohio State Law Journal* 47 [1987]: 951–83; and idem, "International Aspects," *Scandinavian Studies in Law* 39 [2000].)

individuals and small groups have full responsibility for their actions and can reap the benefits of competing and performing without state interference—a situation with a very "minimal" government or, still better, without a state.[45]

REMARK ON MOTIVATION OF DECISION MAKERS IN GENERAL

Going to war is easy for a dictator, since he controls the media and commands the armed forces. By contrast, a president has to follow the rules of the game of a parliamentary democracy. For a dictator, the "good reasons" for bellicose behavior depend on historical coincidences. This applies also to politicians operating in a democratic system. The role of chance in history is well known; the personality of the ruler(s)—a decisive chance element—plays an important role. Possible "good reasons" for bellicose behavior range from the acquisition of new resources to personal "aggrandizement." A monarch's interest is often to preserve the estate of the dynasty,[46] which makes for peaceful behavior; wars not necessary for the preservation of the *status quo* will be avoided. For a president in media-soaked mass democracy, the incentive for belligerent behavior is more or less permanent.

First, it brings *an increase of power.* In wartime, this can easily be achieved by the centralization and control of the economy and of all the substructure of society. Hence, in modern times, a war between nation-states of the first order automatically becomes a total war.

Second, a vote-catching politician (used to working with redistributive measures, such as handouts to important pressure groups, protectionist regulations, etc.) may *be tempted to make use of the phenomenon of war-sprung socialism* (Robert

[45]Jasay, *Against Politics*, chap. 9.

[46]Hans-Hermann Hoppe, "Time Preference, Government, and the Process of De-civilization—From Monarchy to Democracy," *Journal des Economistes et des Etudes Humaines* 5, nos. 2/3 (1994): 319–52.

Nisbet). In connection with the intervention in World War I, this can be very clearly seen. As America prepared to enter the war, the magazine *New Republic* looked forward to imminent collectivization and urged that the war be used as "an aggressive tool of democracy."[47, 48]

From such theoretical consideration it appears plausible that, statistically, democratic presidents will tend more often to behave belligerently than dictators. Socialist leanings may tempt a democratic president to be bellicose. Robert Nisbet writes: "To this day, the American welfare state is intrinsically no more than the New Deal enlarged."[49] FDR's lasting legacy: the escalating *warfare–welfare–national-security state.*

DESCRIBING SOCIAL ORDERS

Social orders and states can be described in innumerable ways, since you can always invent a new descriptive system.[50] The thesis under scrutiny uses a peculiar taxonomy with only

[47]Murray N. Rothbard, "World War I as Fulfillment: Power and the Intellectuals," *Journal of Libertarian Studies* 9, no. 1 (1984): 81–125; reprinted in Denson, ed., *Costs of War*, p. 273.

[48]Walter Lippman, on the way to becoming America's foremost journalistic pundit, proclaimed his conviction that America would attain socialism through war. FDR's Brain Trust shared that hope. Thus, in 1927 (in *The Nation*), Rexford G. Tugwell, looking back on "America's wartime socialism," lamented that, "if only the war had lasted longer, that great 'experiment' could have been completed," and he mourned that "Only the Armistice prevented a great experiment in control of production, control of prices, and control of consumption" (quoted in Rothbard. "World War I as Fulfillment," p. 276). The same Tugwell also saw Roosevelt as the likely completer of this process.

[49]Robert Nisbet, *Roosevelt and Stalin: The Failed Courtship* (Washington, D.C.: Regnery Gateway, 1988) p. 109.

[50]Gerard Radnitzky, "Sorting Social Systems—Voluntary vs. Coercive Orders," in *Values and the Social Order*, Gerard Radnitzky and Hardy Bouillon, eds. (Aldershot, U.K.: Ashgate/Avebury, 1997), pp. 17–75, esp. p. 24.

two classes: "democracy" and a huge *residual class*,"other forms of government." As rational agents, politicians react to the incentives of the system in which they have to operate. Therefore, in a democracy, a change of personnel will usually only alter the surface. What matters is the institutional setup. Thus our question should be formulated: "What institutional arrangements in a democracy might induce political decision makers to behave—independently of their personality—more peacefully than they would behave in other forms of institutional arrangements?" If we assume that there are such institutional arrangements, we will ask what they are and how they work. If a convincing theoretical argument were shown that demonstrated that such institutional arrangements exist and that they do work, historical studies would be dispensable. So far, however, no such argument has been forthcoming.

What we learn from a study of the institutional arrangements of a democratic system is that, in such a system, the politicians have to follow the rules of the game, the rules that follow from its institutions. *Democratic leaders require tricks and deception to bring their countries into war.*

Why do democratic leaders deceive the people into war?

The work of the well-respected British historian James Joll on the origins of the First World War illuminates that need.[51] Joll explains that the British system of government "forces ministers to be devious and disingenuous." Thus, if a leading democratic politician "is himself convinced that circumstances demand entry into a war, he often has to conceal what he is doing from those who have elected him." Joll analyzes the case of former British Prime Minister Earl Grey.

> Grey had never had any doubts in his own mind that, if it came to a conflict between France and Germany, Britain would have to support France. His reasons were based not on internal political

[51] I am indebted to American historian Ralph Raico for drawing my attention to James Joll.

> pressures but on conventional thinking about foreign policy and Britain's place as a world power.
>
> If we look for the responsibility for the First World War in the political and constitutional arrangement of the belligerent states, when the structure of the British government can be held responsible for Grey's reluctance openly to commit Britain to support France and Russia before he was absolutely convinced he could carry his party with him.[52]

In 1914, the German violation of Belgian neutrality gave the British government the moral ground it needed for calling on its Liberal followers to support the war. Joll also asserts that many of the supporters of the Liberal members of the government "would not stand for it if they knew the whole truth." (Kant's naïveté assuming that the people in a democracy are informed about what is going on may be excusable in 1795.) Besides Grey, Joll mentions as examples of democratic leaders who systematically deceived those who had elected them—and of course, the national leaders—Asquith, Franklin D. Roosevelt in 1939–41, and Lyndon Baines Johnson in the Vietnam War.

FDR outdid his paragons in the "first shot" gambit. His objective was war with Germany. By the end of 1940, it was clear to him that the Germans were not going to shoot first, but he knew that he could maneuver the Japanese into the position of firing the first shot. The Navy at Pearl Harbor was FDR's bait. If thereby, a few thousand American soldiers were sacrificed, the media echo would be great. Japan's attack had to be a big success; Japan must appear to be stronger than the U.S., otherwise, Hitler would not declare war. The Japanese diplomatic code and the Marine code (JN-25) having been decoded, the U.S. and Britain monitored the Japanese attack fleet all the way to Pearl Harbor.

[52]James Joll, *The Origins of the First World War*, 2nd ed. (London: Longman, 1992), p. 115.

That intelligence was withheld from the Pearl Harbor commanders (Admiral Kimmel and General Short), and they were impeded in their efforts to gather it themselves. They had to serve as scapegoats. Robert B. Stinnett provides incontrovertible proof in facsimile from those former "Top Secret" documents that have since been released.[53] However, not all the documents relevant to the conspiracy have been released. Even today, there is a coverup. The same holds of the Deputy Führer Hess's flight to Britain on 10 May 1941. In 1992 the Foreign Office declared that the "Hess-Files" are to be kept secret until 2018.[54]

Why do democratic leaders need to feign unanimity when the cabinet is deeply divided?

Several historians have dealt with the period from May 24 through May 28, 1940, when the British War Council was deeply split about what course of action to take. John Lukacs, with his book of 1999, *Five Days in London*, gives the latest account.

On May 10, 1940, Chamberlain had resigned, and Churchill became prime minister. At that time, France was collapsing, and the British Expeditionary Force (BEF) stood at Dunkirk. The most probable development was that the BEF would be killed or captured in the channel ports of northern France. *Britain had only the police to defend it,* and a successful invasion by the Germans was the most likely scenario. Foreign Minister Lord Halifax, Neville Chamberlain, Harold Nicholson (the "king" in the background), and leading figures within Churchill's own Conservative Party regarded testing the prospect of negotiations (via the then-neutral Italy) as the sensible reaction to the crisis and as the only chance to save the British Empire. Churchill most strongly opposed it. (On the next day, May 11,

[53]Robert B. Stinnett, Introduction, in *Day of Deceit: The Truth about FDR and Pearl Harbor* (New York: Simon and Schuster, 2000).

[54]Schmidt, R., "Der Hess-Flug und das Kabinett Churchill," *Vierteljahrshefte für Zeitgeschichte* 42, no. 1 (1994): 1–38.

Churchill gave for the first time the order to attack German cities.) On May 12, 1940, Halifax noted in his diary that he was "worried about Winston's methods," and shortly thereafter he labeled Churchill's new team a group of "gangsters." We learn that on May 27, when the situation was totally confused, Churchill and Halifax took a "walk in the garden," and that Churchill apparently succeeded in dissuading Halifax from resigning. The resignation of the foreign minister would have laid open the split in the Cabinet. It would have made it practically impossible for Churchill to persuade the War Cabinet, the Cabinet at large, and the Commons that his course was the right one. Even Churchill could not reveal Roosevelt's clandestinely given pledge to draw America into the war, since that would have outraged the American public, the majority of which did not wish to sacrifice American lives. Lukacs admits that "we have no account" about what was said during the walk in the garden.

Churchill was a gambler (like Hitler). What saved him and Britain was what Lukacs deigns to call the "miracle of Dunkirk." The Germans allowed about 350,000 men to escape across the channel from France. There are no miracles in history. What happened was that Hitler heard the advice of two men: Field Marshal Erich von Manstein and Hermann Göring. Manstein advised him to smash the pocket, whereas Göring claimed that the Luftwaffe would be capable of preventing an evacuation across the channel. Hitler was not intelligent enough to grasp the "kairós," the decisive, propitious moment, the only moment where he could have won the war by invading the British Isles, which were defended only by police. He followed Göring, whose limited fantasy could not imagine an evacuation by thousands of small boats, against which the Luftwaffe was powerless. Thus, in May 1940, Hitler lost the war.

Joll explains that the British system of government—and very likely any democratic government—"forces ministers to be devious and disingenuous." Lukacs's account reminds us how superficial it is to deal with governments or cabinets and so forth, as if they were holistic agents, and that the public at decisive moments usually is uninformed or misinformed.

CENTRAL ITEMS IN A BELLICOSE DEMOCRATIC PRESIDENT'S BOX OF TRICKS AND DECEIT

Rule #1. First, get control over the media; they are indispensable as means of propaganda.

A democratic president has to sell a "war," embarking on the mass marketing of the war that he has in mind. Good historical examples are Presidents Woodrow Wilson and Franklin D. Roosevelt. Neither of them could have embarked on war without the masterful preparations by Churchill, who succeeded in establishing a highly efficient propaganda machinery in the U.S.: faked atrocity reports in World War I [55] and, in World War II, faked movies,[56] faked documents, tapped telephones, bribed editors, getting hold of the film industry, etc.[57] Impressive is Mahl's report of how British Security Coordination helped to outmaneuver the Republican Party's old standard-bearer, Herbert Hoover, by fixing the 1940 Republican presidential nomination for Wendell Willkie, who as late as 1939 had been a registered Democrat. "Roosevelt could never have won the public opinion battle . . . so quickly without British intelligence activity in North America."[58]

Of course, if a war goes on, the television reporting must be kept under control. The Vietnam War, which was lost on TV screens on the "home front," was the first "TV war." It was also the last. The lesson was learned. Since then, war reporting has

[55]Thomas Pappas, "Wartime Tricks," *Salisbury Review* (Autumn 1996): 52–54.

[56]J. Scrodes, "Seducing America," *The Spectator* (August 1, 1998): 12–14.

[57]See the contributions in Denson, ed., *Costs of War, especially* Ralph Raico's chapter on Churchill; see also Thomas Mahl, *Desperate Deception* (McLean, Va. and London: Brasseys, 1998); N.J. Cull, *Sell War: The British Propaganda Campaigne Against American "Neutrality" in World War II* (Oxford: Oxford University Press, 1995); Pappas, "Wartime Tricks"; Scrodes, "Seducing America."

[58]Scrodes, "Seducing America."

been censored and controlled by the Pentagon. This could be clearly seen in the Persian Gulf war and the war in Kosovo, and television audiences appeared to have been quite satisfied with the info-tainment they got. Reality becomes unimportant; deceit reigns supreme.[59]

As mentioned above, the generally accepted "peaceful democracy" axiom in modern time obliges a democratic president, as a first step before going to war with another country, to declare the other country to be nondemocratic. If so, it is his noble obligation to convert the unbelievers to the true religion. The missionary mindset of the sects who immigrated to the New World—some authors claim that the New England states could be characterized "fairly as theocracies," a mindset that is still virulent in the U.S.—provides a fertile ground for the idea of a New World Order based on worldwide democracy.

The reasonable idea underlying Kant's essay on "Eternal Peace" was that if the consent of "the People" (a fictitious holistic entity) is required for going to war, "the People" will think twice before committing itself to so risky a game. This is a reasonable assumption only if you also assume that the voters are well informed about the situation and about the risk. That assumption is not justified in the real world. The voters are only allowed to choose their guardians; this is the only choice for which they are regarded as competent, whereas, with respect to all other choices, they are regarded as incompetent. Hence, the voters are rationally uninformed and most of the time are systematically deceived by the state-owned media. For instance, in the Federated Republic of Germany (FRG), the parties would never allow a plebiscite on the Swiss model. The state has become the loot of the political parties.[60] How could

[59]Paul Virilio, *Information und Apokalypse: Die Strategie der Täuschung* (München: Hanser-Verlag, 2000).

[60]What "democracy" means, e.g., in the FRG, can best be seen by the decision to adopt the single currency. More than 80 percent of the population was against it, and everybody who had a name in

Kant have imagined the government propaganda mass-marketing a war by means of television?[61] The "People's" behavior drastically differs from Kant's ideal. Already before the age of television, "the People" manifested "its Will," when the country rallied around the flag—think of the mobs in Paris and London in 1914 clamoring for the war that destroyed Europe. Warmongering gave the government an upward blip in the opinion polls. The political leaders have learned the lesson from mass psychology, mob psychology. (Hitler was a master of it, having studied Le Bon's *Psychologie de la foule*.) Moreover, how could Kant have imagined the development of democracy? He was thinking of an ideal-typical concept. Today, when "the People" has chosen its guardians, it has become the subject of their persuasion and deceit. In summary, Kant's argument refers to an ideal-typical republic; in this realm it is correct but it is of no practical value.

Rule #2. Provoke the intended enemy; if that fails, create clandestinely a *de facto* state of war, a *fait accompli.*

A good historical example of successfully planned provocation is Pearl Harbor;[62] an early example of a successful "first shot" story is the case of Fort Sumter in Charleston Harbor

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economics warned against its introduction. Chancellor Kohl wanted to please the French. The most shameful behavior came from the federal president at the time, Roman Herzog, who in the 1998 election campaign admonished all parties, media, etc., not to discuss the issue of the euro publicly—the issue being so important that its discussion should be taboo. (See, e.g., Prof. Koenigs in the *Frankfurter Allgemeine Zeitung*, the leading German daily, of 19 March 1997). On how the single currency came about see Gerard Radnitzky, "The EU: The 'European Miracle' in reverse," *The European Journal* 9, no. 6 (2002): 30–35.

[61]Virilio, *Information und Apokalypse.*

[62]George Morgenstern, *Pearl Harbor: The Story of the Secret War* (Old Greenwich, Conn.: Devin-Adair, 1947), p. 116; Denson, ed., *Costs of War*, p. xiv.

inaugurating the American Civil War. In World War II, the *fait accompli* was the U.S. submarine warfare in early 1940; at least in the summer of 1941, the U.S. was *de facto* in war with Germany.[63]

If he has to circumvent or violate the constitution, a democratic president has to do it in a clandestine way. He has to conceal the fact that he regards foreign affairs as his own policy fiefdom, immune from parliamentary control. The consent of the parliament can be gotten later, when the *fait accompli* has been established. That rule was followed in the two world wars. After that, dissimulation apparently was no longer considered imperative. Thus, for instance, in 1950, President Truman sent U.S. troops to wage the Korean War without even making the pretense of seeking congressional authorization. Recently, it became popular to use the U.N. as chaperon for an intervention and to rely on moralizing rhetoric, which uses "human rights" as apologia for bombardments.

It is strange that proponents of the "peaceful democracies" doctrine appear to believe that "the People," if given enough influence, would dissuade politicians from bellicose behavior. At least they believe it sometimes, and they also believe that parliamentary control would be a panacea.[64] Sometimes they are more realistic; thus, even the champion of the doctrine, R.J. Rummel, writes: "democratic peoples have become jingoistic on occasions and enthusiastically favored war. . . . They can also be aggressive today, pacific tomorrow."[65] As mentioned already, Thucydides ascribed war atrocities to the democratic masses; the Romans understood the phenomenon of mass psychology well and coined the expression "mobile vulgus."

[63]John Lukacs, *The Hitler of History* (New York: A. Knopf, 1997), pp. 153 f.

[64]Rudolph J. Rummel, "Democracy and War: Reply (to Carpenter)," *Independent Review* 3, no. 1 (1998): 105 f.

[65]Rudolph J. Rummel, *Power Kills: Democracy as a Method of Nonviolence* (New Brunswick, N.J.: Transaction, 1997), p. 132.

Rule #3. Create the public impression that the intended enemy fired the first shot.

In the American Civil War, the Fort Sumter case[66] served Lincoln's propaganda. In World War I, it was the *Lusitania* case of 1915 engineered by Churchill.[67] The *Lusitania* was an armed munitions ship, i.e., it was a war ship (as documented by divers in 1998 and 1999). In World War II, Pearl Harbor, mentioned above, is the choice example. Likewise, the German declaration of war in World War II illustrates the rule. The American historian John Lukacs describes it: Hitler, who so far had prohibited his naval commanders from getting involved with U.S. naval units, permitted them to defend themselves and hence made a corresponding official gesture.[68]

In summary, to begin a war is considerably more difficult for a democratic president than for a dictator, since he has to circumvent the various laws in a complicated way or violate them clandestinely, which requires great shrewdness. When a democracy has entered a war, interfered with an ongoing war, its wars are more ideological—more total, and, hence, more cruel—than most of the wars of dictators or autocrats. And democracy makes alliances with any dictator (e.g., the friendship of Roosevelt and Stalin). Eventually, it is more difficult for a democracy to end a war than it is for a monarchy or for a dictator.

Perhaps the most interesting phenomenon is the many *totalitarian* trends in a democracy at war. Robert Nisbet writes:

> Though we are loath to admit it, the first twentieth-century previews of the totalitarian state was provided by the United States in 1917–18 after we joined the Allies in the war against Germany. Not even the Kaiser's military-political order . . . reached the totality of the war-state that America

[66]Denson, ed., *Costs of War*, pp. 15, 20, 139.

[67]See Raico, "Rethinking Churchill," p. 266.

[68]Lukacs, *Hitler of History*, p. 154.

> did in extraordinary short order once war on Germany was declared. The relentless forces of centralization of political power reached literally every significant area of American life: the economy and the government in the first instance, but hardly less . . . even and especially religion.[69]

Then Nisbet gives an overview of those developments. Much the same hold for America's Second Crusade. Comparing Albert Speer's industrial policy during World War II with that of the U.S., we find that during the war, German industries had considerably more freedom than American industries had. This made it possible for Germany's war industry to reach the peak of its productivity as late as 1943, despite the intensive strategic bombardments. America's output would have been even larger if industries had not been so rigorously regulated (Hans-Hermann Hoppe).

Wilson turned the European war into a much wider conflict (called "World War I," although it took place in the European theater and was not really a world war) and prolonged it for about two years in order to "make the world safe for democracy" and to wage "the war to end all wars." It would be ridiculous to claim that the Wilhelmine Germany was less of a democracy than the British kingdom. Yet, this is claimed by the champion of the "peaceful democracies" doctrine, R.J. Rummel. When asked about a definition of "democracy" Rummel referred to his writings and said: "But, there should be little argument as to which nations are the central liberal democracies." Then he proposed an alliance of democracies. With the help of a "committee of experts" that alliance assesses the democraticness of applicants who want to join—i.e., to join the cartel.[70] (By the way, Rummel thereby shows that the definition

[69]Robert Nisbet, *The Making of Modern Society* (Brighton, Sussex: Wheatsheaf, 1986), p. 19.

[70]R.J. Rummel, "Eliminating Democide and War Through an Alliance of Democracies," *International Journal of World Peace* 18, no. 3 (2001): 55–68, quotes from p. 59.

of "democracy" is indeed the first bone of contention in a conflict between two "democratic" states. Since the concept was left vague and undefined, Western European politicians could pretend not to see Wilhelmine Germany as a democracy.) In fact, World War I alone suffices to falsify the "peaceful democracies" doctrine. Rummel writes that

> the Kaiser had considerable power over foreign affairs, and the army was effectively independent from control by the democratically elected Reichstag . . . and thus World War I hardly contradicts the proposition that democracies don't war on each other.[71]

He thereby concedes that domestic policy in Germany was democratic. Ralph Raico shows in detail how Bismarck used social policy to split the social-democratic vote and thereby laid the ground for the welfare state, which spread from Germany all over the Western world.[72] However, Rummel ignores (or disregards) the fact that in Britain and France, foreign affairs was a policy fiefdom immune from parliamentary control—a situation that "elicited a complaint voiced frequently and loudly by members of parliament in both countries."[73]

One result of World War I was Versailles,[74] one of the necessary conditions for the rise of Hitler. (A second one was unemployment, to a large extent also a consequence of Versailles.) In America's Second Crusade—like the first, prompted and made possible by Churchill's propaganda apparatus in the U.S.—the

[71]Rummel, "Democracy and War," p. 105.

[72]Ralph Raico, *Die Partei der Freiheit: Studien zur Geschichte des deutschen Liberalismus*, Guido Hülsmann, trans. (Stuttgart: Lucius and Lucius, 1999).

[73]Ted Carpenter, "Democracy and War: Rejoinder (to Rummel)," *Independent Review* 3, no. 1 (1998): 110.

[74]It should be mentioned that the Senate and Congress did not ratify the Versailles Peace Treaty (more accurately, the French Hate Treaty or dictate).

ideological motivation was the same. Therefore, *the question also arises whether perhaps democracy promotes genocide.* For instance, during World War II, the aerial bombardment killed about 600,000 German civilians, and after the war, about 11 million were killed. The attitude toward the Japanese was dominated by racism. Thus Elliott Roosevelt (FDR's son) requested that the aerial bombardment of Japan should continue "until we have destroyed about half of the Japanese population."[75]

THE POPULARITY OF THE THESIS "DEMOCRACIES DO NOT GO TO WAR WITH ONE ANOTHER"

In the Western world, this thesis is immensely popular; it belongs to the core of political correctness. Tocqueville, in his study of America, introduced the thesis and explained that this relationship was due to the prevailing egalitarian ideals. After all, America was and is the country of sects (see section "Central Items in a Bellicose Democratic President's Box of Tricks and Deceit," above), and in that intellectual environment, a political dogma can easily become a piece of a religious belief system. Wars for the spread of democracy become holy wars, of sorts. President Wilson claimed that his interference in World War I was justified because he conducted the war in order to make the world safe for democracy. Roosevelt and Eisenhower argued on similar lines. After World War II, America's policy toward the defeated Germans was confused. Eventually, the immigrants of the Frankfurt School fed the administration the idea to re-educate the Germans, instead of simply starving them to death. The kernel of the re-education was educating them to be good democrats.[76]

[75]Michael Sherry, *The Rise of American Air Power: The Creation of Armageddon* (New Haven, Conn.: Yale University Press, 1987), p. 245.

[76]Also, the re-education policy was erratic: In 1948 the slogan was, "*Never again soldiers.*" As early as 1950 (in connection with the cold war), it was replaced by the slogan, "*Soldiers immediately.*"

On closer look, *the democratic peace turns out to be an artifact of the cold war. It is a phenomenon due to shared strategic interests rather than to common domestic characteristics.* Given nuclear deterrence, big wars were avoided, and war was delegated to third- or fourth-rate states acting as proxy.[77] Up to 1914, there were many counterexamples to the democratic-peace thesis.[78]

Since the end of the cold war, the pairing of democracy and peace has been a salient feature in the proclamations of Western political leaders. Margaret Thatcher said on a visit to Czechoslovakia in 1990:

> *If we can create a great area of democracy stretching from the west coast of the United States . . . to the Far East, that would give us the best guarantee of all for security—because democracies don't go to war with one another.*

She was echoed by President Clinton, for whom the thesis became one of the very rare consistent elements in his worldview. He advanced it in 1992 in a campaign debate with Bush and Perot and in 1994, in his State of the Union address: "*Ultimately, the best strategy to ensure our security . . . is to support the advance of democracy elsewhere. Democracies don't attack each other.*" The thesis has become an axiom of American policymaking indispensable for ennobling an otherwise disorganized set of foreign policies.

Lady Thatcher's dictum was naïve: Democracy exists within a thin band of social and economic conditions. (Clinton was merely echoing her.) As for examples of the problems, China may be successful in part because it is not a democracy. It may be doubted that if Tiananmen Square had led to democracy, the

[77]Martin van Creveld, *The Rise and Decline of the State* (Cambridge, U.K.: Cambridge University Press, 1999), pp. 337, 334.

[78]Joanne Gowa, *Ballots and Bullets: The Elusive Democratic Peace* (Princeton, N.J.: Princeton University Press, 1999).

high growth rates of the 1990s still would have been obtained. By the way, when speaking in Prague in 1990, the year in which she lost the premiership due to the palace revolt by Mr. Heseltine, Mrs. Thatcher was herself skating on the thin ice of party politics. Her main addressee, Václav Klaus, later had to cope with all the problems of shaky coalitions. The expression "democracy" itself should attract attention. As an alternative to oligarchy one would have expected "demoarchy." "Kratos" means enforcement power. Thus the word "democracy" alludes to the latent coercive traits of that social order. Democracy, if left alone, will inevitably destroy the market—which is one of the necessary conditions of its existence—and thus in the long run will be a self-destructive system.

Democracy as State Religion and War

THE NEW POLITICAL RELIGIONS

Believing something is a state of mind that is independent of, and irrelevant for, the epistemological status of the content of the mental act of believing, of what is being believed. Believing—being convinced that something is true or morally valid—is a psychological phenomenon. It is a personal matter, but it may have pernicious externalities: It is not so much what people don't know that causes troubles; it is what they do know and know wrong.

In the twentieth century, religious faith has been declining, at least in the West, in the industrial states, i.e., in the power center of the world. Christianity and Judaism have steadily lost ground. Transcendental religion left a religious and metaphysical vacuum. The vacuum has been filled by various ideologies. Violent creeds like Marxism (fundamental or whole-scale socialism) and national socialism (the socialism that became more and more pronounced during World War II) ruled large parts of the world. Both ideologies are clearly political religions that became state religions. With respect to Marxism, Murray Rothbard argued convincingly that it is essentially a reabsorption theology (salvation applying to the species, not to individuals, as

in Christianity).[79] National socialism was based on a peculiar natural-law doctrine, the race doctrine of the "Aryans"[80] combined with legal positivism, whereas nationalism played only a subordinate role. The German nation was seen by Hitler as nothing more than a suitable instrument (hence, it was consistent when Hitler, at the end of the war, declared that the German nation should perish, since it had proved incapable of winning the war). Its pseudo religious character can be seen also by the multitude of references to Providence, as Hitler implicitly identified himself with Jesus.[81, 82]

In the West, particularly after the demise of those two totalitarian regimes, democracy functioning as a convention for the handling of power became the new political religion. The term was coined by Eric Voegelin as title for his book of 1938. One year later Raymond Aron wrote of "religion politique" and "religion séculière." Democracy's "credo" has all the earmarks of a religion—above all, supreme values, the main characteristic of a totalitarian system.[83] Thus, democracy treated as a state

[79]Murray N. Rothbard, "Karl Marx: Communist as Religious Eschatologist," in *Requiem for Marx,* Yuri Maltsev, ed. (Auburn, Ala.: Ludwig von Mises Institute, 1993), pp. 221–94.

[80]C. Mühlfeld, "Nationalsozialistische Familienpolitik: der Prozess der weltanschaulichen Selbstgleichschaltung in der Rechtsanwendung," in *Aufklaerungsperspektiven*, K. Salamun, ed. (Tübingen: Mohr, 1989), pp. 40–55.

[81]Cl.-E. Bärsch, *Erlösung und Vernichtung* (Munich: Klaus Boer, 1987), pp. 400, 403.

[82]At the end of the war, Goebbels, originally a theologian, compared battle with holy mass; both Hitler and Goebbels claimed that in persecuting Jews, they were fulfilling the "Will of the Lord" (ibid., pp. 402, 400). National socialism was not a neopaganism. In the 1920s, Hitler compared himself to Jesus (ibid, p. 405, quoting from the *Völkischer Beobachter* [NSDAP party daily] of 1922!).

[83]Bernholz, "Supreme Values, Tolerance, and the Constitution of Liberty." See also Hardy Bouillon, ed., *Do Ideas Matter?* (Brussels: The Centre for the New Europe, 2001), esp. pp. 43–47.

religion becomes a totalitarianism *in potentia.* The results of an election (even if in practice they are often discounted) are officially treated as if they contain revealed knowledge, revealed by the new deity, "the People," king Demos, the Vox Populi. And the leftist deity of equality now occupies the moral high ground. According to Tocqueville, democracy has always had a metaphysical flavor.

The American pragmatist philosopher, John Dewey, presaged that development as early as 1920 with his famous dictum: "Once we commit to pursuing democracy, it will take on religious value."[84, 85] Creeping socialism now occupies the moral high ground. The most important factors for its success have been redistribution associated with democratization—never before has life been so politicized as in the twentieth century—and war: "war-sprung socialism" (Robert Nisbet), which is one of the consequences of the democratization of war. Democracy and creeping socialism are two sides of a coin, of social-democratism. *This made it possible for social-democratism to become the new state religion.* That it easily can take on a totalitarian flavor can be seen by historical examples such as, for instance, the so-called Swedish model.[86]

If democracy has become a political religion, wars are a crime for which nondemocracies must be responsible. In case

[84]John Dewey, *The Reconstruction in Philosophy* (New York: Holt, 1920), p. 210.

[85]John Dewey not only welcomed "democracy's" becoming the West's secular religion, but he was also the doyen of the pacifists-turned-intellectual drum-beaters for war. Thus, Murray Rothbard writes: "Thus, scarcely had Dewey ceased being a champion of one terrible world war than he began to pave the way for an even greater one" ("World War I as Fulfillment," p. 277. Rothbard refers to J. Israel, *Progressivism and the Open Door: America and China, 1905–1921* [Pittsburgh: University of Pittsburgh Press, 1971]).

[86]Roland Huntford, *The New Totalitarians* (London: Penguin Press, 1971); Sundberg, "Human Rights in Sweden," 951–83; idem, *High-Tax Imperialism*; idem, "International Aspects."

of doubt, the very existence of a state with another form of government makes that state an "aggressor" against democracies. When discussing Kant's thesis ("On the Formulation of the Democratic Peace Doctrine," above), we mentioned that *democracy as a form of government legitimizes a concentration of powers.* Abolishing the separation of powers *per se* (as, for instance, in the Swedish-model democracy with its almighty parliament) facilitates warmongering. Political parties are associations of interests, and hence they tend to form cartels, thereby destroying the competition between parties. The constitution becomes a pseudo-religious conception[87] by means of which all those who are declared to be "unbelievers" are *a limine* excluded from political competition, and thereby pluralism is abolished.[88] Since the transformation of democracy into a pseudo-religious system serves established interests, totalitarian tendencies begin to dominate. Thus, the totalitarian temptation ("la tentation totalitaire," J.F. Revel) is imminent in a democracy. *Therefore, a war becomes a secular-religious crusade* (zivilreligiös verstandener Kreuzzug). This helps to explain the enthusiasm with which democracies enter a war—witness 1914 (section 6.4, Rule #2, above). Today, we witness the crusade "against terrorism." Since an "-ism" is an abstract entity, the task of that crusade is open-ended. It will end only when crusading no longer produces "earnings" in some form (power, popularity, votes, etc.) for the top politicians.

The Political Use of the Democratic Peace Thesis

The notion that democracies do not make war with each other is a cornerstone of the New World Order crowd, the

[87]Thus the German philosopher Jürgen Habermas (well known also in the Anglo-Saxon world) squabbles about "patriotism of the constitution" (*Verfassungspatriotismus*).

[88]J. Schüßlburner, "Plädoyer für ein Austrittsrecht aus Europa. Die Lehren des amerikanischen Bürgerkriegs," *Criticón* 151 (1996): 151–57.

ecumene of the variants of the political religion. The implication is that, if we force the whole world to democratize, then we will have eternal peace. The champion of the democratic peace theorists, R.J. Rummel, spelled out the implication: "*Indeed, with universal democratization, they (armies and secret services) would be eliminated altogether.*"[89] This naïve argumentation gives the hegemon (at the moment, the U.S.) a blank check for intervention—not only an excuse but a "mission"—so that it can always conduct an interventionist policy not only with successful rhetoric but with a good conscience (if politicians should ever need such a thing) as well. The country that does not behave in line with the intentions of U.S. foreign policy is denounced in the media as "undemocratic," hence there is an obligation (due to the new state religion) to send "missionaries" in order to convert the unbelievers. This way of reasoning eventually leads to a funny argument: "Going to war with nondemocratic countries solely to turn them into democratic countries makes it less likely that we have to go to war with them." (President Clinton came close to such an argument in the case of Haiti, and got away with it.)

There are, however, various problems with the thesis and hence with the intellectual integrity of this approach. On the theoretical level, we ask, "Why should democracies be more peaceful—apart from the appearances, which are due to the fact that, as just noted, democratic leaders require tricks and deception to bring their countries into war?" The historian will point out first that, until recently, there have not been many democracies, so there is not much historical material for testing the hypothesis. For another, many of the democracies have been linked by a common language (English) and common cultural ties, further narrowing the relevant body of evidence. Moreover, this approach does not address the question of how often democracies initiate wars against others (answer: *innumerable times*). Pericles, having grown old, provoked war with Athens's old ally, Sparta; both were democracies as the notion

[89]Rummel, *Power Kills*, p. 17 (emphasis in the original).

was understood then. (Incidentally, Pericles thereby ended Athens's dominating position—an unintended consequence.)

In 1994, President Bill Clinton declared that democracies do not make war with each other. Therefore, he proclaimed "democratization" as the third column of his foreign policy—a Wilson redivivus. Like his predecessor Wilson, Clinton left the word "democracy" undefined, vague, and ambiguous. The popular thesis that Clinton professed is falsified already by a look at American history: The "Civil War" (the War of Secession) was a war between democracies (with a single currency).[90] Even in that war the interpretation of "democracy" became one of the items contested in the war. The quotation from John Dewey about the religious character of democracy mentioned above illustrates America's missionary spirit—of the country of sects (see "Describing Social Orders," above).

In his analysis of America, Tocqueville claimed that, at least since its revival in the eighteenth century, democracy has been a metaphysical system, a belief system that typically emerges in a religious conversion, appears with the *advent of a new religion.* In the case of democracy, the credo is the following: "Nobody holds sway over me, because I dictate the laws myself"—thus speaks the sovereign, "the People." According to the credo of the new state religion, a genuine democrat taxes himself and places his body and life at the disposal of the state as cannon fodder. "The People" gets the feeling that it has a say, that it, too, governs. Sharing in the decision making and self-determination are confused. (*Mitbestimmung* is confused with *Selbstbestimmung.*)[91] The new state religion is immunized against critique simply by the claim that all decisions (even the most perverse ones) emanate

[90]Schüßlburner, "Plädoyer für ein Austrittsrecht aus Europa," see note 88.

[91]In Germany, the initiator of the blooming confusion was the philosopher Jürgen Habermas, the *maître à penser* of the German Social Democrat party. Hoppe analyzed the general mechanism, e.g., *Values and the Social Order*, Radnitzky, ed., vol. 3, chap. 21.

from "the People"—a fictitious holistic entity. The dominance of a monopolistic doctrine, a monotheistic religion, or a political religion like democracy as a theoretical approach, is the precondition of totalitarianism.

Thus it is understandable that the concentration of power legitimized by democracy is *per se* bellicose in tendency. A war becomes a "holy crusade." The vanquished, the unbelievers, are to be converted to the true religion, if need be by force. The question was raised earlier whether perhaps democracy promotes genocide. It is at the same time chilling and—because of the naïveté—also amusing to read that, close to the end of World War II, the frank report of the British Embassy in Washington speaks of a "universal exterminationist anti-Japanese feeling here."[92] The report continues[93] that the Japanese are themselves to blame if it is necessary to exterminate them, *because they resist democracy* (emphasis provided). Apparently the unbelievers have the choice either of converting or of being exterminated because they are unbelievers. In the same vein goes Roosevelt's reply to Eisenhower, rejecting Eisenhower's plea to be allowed to make contact with the German resistance in order to shorten the war: "I have not yet made up my mind whether or not to destroy the German nation."[94] That means that Roosevelt explicitly wished to keep open the option of genocide.

At the beginning of this section, we suggested that the idea that the ideology of democracy ought to be imposed on the whole world entails a totalitarianism *in potentia*. The two so-called world wars provided examples of that spirit (see the quotes from Nisbet, 1986 in "Remark on Motivation of Decision Makers in General," above). No wonder that American democracy welcomed the Soviet Union as an ally, that the USSR was declared to be a special case of democracy, and that Roosevelt

[92]John Dower, *War Without Mercy: Race and Power in the Pacific War* (New York: Pantheon Books, 1986), p. 54.

[93]Ibid., p. 56.

[94]William Casey, *The Secret War Against Hitler* (Washington, D.C.: Regnery Gateway, 1988), p. 66.

shocked Churchill by writing to him that the USSR was a model, whereas Britain was imperialistic.[95] Roosevelt could care less that Stalin, after his invasion of Poland, was murdering considerably more Poles than Hitler. Shortly before his death, he pronounced that the Poles would not mind being administered by Moscow. Churchill, alarmed by Stalin's mass murdering of the Polish elites, in vain tried to make FDR recognize Stalin's enormous war crimes.[96] The case of Poland is another illustration of the thesis that a democracy is not a reliable protector.

The claim that the enemy country (in modern parlance, the "conflict partner") lacks a "democratic" mindset has become a central part of the war propaganda. Indeed, the "one-man-one-vote" rule—the cornerstone of modern mass democracy as a convention—appears to be connected with the *military* perspective. *What legitimizing argument can be given for a particular selection criterion?* In the military perspective, unqualified franchise—the ideological doctrine that membership in a particular species ought to be taken as criterion of selection—appears justifiable. In other plausible perspectives, it is but a trivial *ad hoc* gambit designed to make votes appear homogeneous (as we have argued in the section "Natural Versus Artificial Method of Social Choice," above). Head-counting is simple, but the results do not have any deeper significance.

In an *economic* perspective, the state is conceived as analogous to a joint stock company. Hence, the criterion that suggests itself for the distribution of voting rights is how much somebody has invested, how much risk he takes, how much he contributes to the national income. Such a distribution is "just" according to the *suum cuique* rule. What a citizen has at stake is his property, and in this respect there are great differences among the citizens. Those who would risk much in case of war will exert pressure on the government not to take risks, to be peaceful (cf. section D of "Parameters of Social Order that Govern Its Propensity for Being Peaceful or Belligerent"). Votes weighted

[95]Nisbet, *Roosevelt and Stalin*, chap. 3.
[96]Ibid., p. 78.

according to risk to material possessions and/or according to contribution to the national income, or to the contribution to the tax revenue, will lead to a plutocratic system. Market-oriented classical liberals will resist bellicose politicians (see quote by James Joll on pp. 173–74).

In a *military* perspective, the risk-taking or sacrifice requested from the citizen goes far *beyond* property in the sense of material possessions and involves also life and body, the "self-ownership" (in a Lockean sense). Since everybody has only one life, and in this respect individuals are indeed alike, all ought to get the same voting right; this is "just" according to the "treating like cases alike" rule, which applies to all cases where a given cake has to be distributed, a given burden shared. It also has the advantage that the people get the feeling of participation mentioned above.

As soon as the military perspective has become irrelevant, that type of legitimizing argument loses its plausibility. Hence, "plutocratic" tendencies should appear and a revision of the "one-man-one-vote" rule suggest itself. Today, however, unqualified franchise has a ratchet effect—a special case of the "benefit-ratchet effect." Redistributive benefits, once given, are politically impossible to revoke. In democracy as we practice it today, it is impossible to replace the membership-in-the-human-species axiom by another equality axiom. A look at the incentive structure makes it obvious that those who would oppose it most vehemently are the political parties, since they are the main beneficiaries of the system, the system that makes the state the loot of political parties. The unqualified-franchise axiom has become a central item in the catechism of the new political religion. Unlimited democracy tends to lead to a totalitarian democracy. At any rate, the idea that the "one-man-one-vote" rule establishes a connection between war and democracy can contribute to explaining the phenomenon of the *warfare-welfare–national state* (Roosevelt's lasting endowment to future generations).

Since the problem of justifying selection criteria for voting rights would lead us outside our central topic, let's just make some remarks. In antiquity, qualified franchise (Solon) was

abandoned for unqualified in the Athenian democracy of Cleisthenes as a war preparation. The Prussian three-classes franchise was abandoned in 1917: unqualified franchise and worker participation were introduced in order to motivate the population for more war efforts. During the Weimar Republic, public finance experts suggested the introduction of qualified franchise. Hayek's two-chamber system is a mix of democracy and meritocracy. Each system has its problems. Designing a constitution of liberty is relatively easy. Finding the conditions under which it is plausible that such a constitution will be introduced and respected long enough to do any good, this is the problem—perhaps an unsolvable problem, since it is essentially the problem of making collective choice compatible with liberty.

Predemocratic thinkers like Pufendorf and Immanuel Kant evaluated democracy, immunized against critique by recourse to the "Will of People," as despotism. The majority of the Founding Fathers of America appear to have shared Kant's predemocratic emphasis on the separation of power. Since, as mentioned, the concentration of power is war-promoting *per se*, the bellicosity of democracy is reinforced when it has become the state religion. In this view, wars must not occur. If nonetheless they do happen, then that is a crime for which nondemocrats are to be blamed. The very possibility that there might be nondemocracies in this world makes the opponent *in spe* automatically an "aggressor" against democracy.[97]

The original U.S. Constitution adopted the predemocratic concept of the separation of power, and thus it rejected parliamentarism, stressed genuine confederalism, and implicitly adopted secession rights—which at the time appeared so obvious that unfortunately that stipulation was not spelled out in the document.[98] In modern times, "constitutional reality" in the United States is a caricature of what the Founding Fathers wished to bring about; in continental Europe, political parties

[97]An example was the NATO propaganda against Milosevic.

[98]It would have made it more difficult for Lincoln to assault the South.

tend to form a cartel, something that can be clearly seen in the Federal Republic of Germany[99] and in the European Union, which is on the road to becoming a taxing cartel of states for maximally exploiting its citizens. Democracy as state religion influences both domestic and foreign policy. The way in which the competition among political parties is conducted strikingly demonstrates that the metamorphosis of democracy from a convention into a quasi-religious system serves the established interests. New parties can be excluded from the beginning simply by labeling them "undemocratic," unbelievers, whatever they may profess (Josef Schüßlburner). Competition in that area is abolished. In October 2002 the President of the EU's Commission Prodi declared the stability criterion of the EU of 3 percent to be "nonsense." Thus the last barrier of the Maastricht Treaty was abolished. This ushers in a competition between borrowing states in producing *nationally* debts and inflation, while *collectively* distributing the cost.

Comparison of Public and Private Security Production: A Model and Thought Experiment

VIOLENCE AGENCIES—PUBLIC OR PRIVATE

Security is defined as the probability to be able to cope with the maximum possible menace; the higher the probability, the higher the degree of security. What is to be protected is property

[99]In the FRG, the only power that the sovereign still retains is the power in parliamentary elections to reduce the number of backbenchers of one party while increasing that of another party; most of the time the sovereign cannot even choose a party program because the program will be determined only after the winning coalition has taken form. Under chancellor Kohl's 16-year-long regime, the state has become the booty of the political parties, which are lavishly financed in a way that is probably a record (H.-H. v. Arnim). Also, this party financing is the damaging legacy of Kohl. Today, the FRG is a partitocracy with totalitarian tendencies and a democratic façade.

in the Lockean sense—i.e., body, life, material possessions. The problem of appraising potential public and private providers of security is mainly a principal-agent problem. If a private security is powerful enough to cope with the problem of defense, will it not tend to become state-like? Exercising his freedom of contract (a liberty), the rational individual will check which agency makes the best offer: higher security at the same costs, or same security at lower costs. The state may be the provider, but it does not have to be the state. In a world where security production is privatized, a discussion of the "peaceful democracies" thesis would be pointless, since the state has disappeared.[100] Let us look at the conceptual background of the theme "security production: public or private?"

A power holder employs violence specialists in organized form: for internal security, the police, and, for external security, the military forces. We all live in states, but in part also outside of the state (from offshore banking to Internet contacts). A corollary of the definition of the state as the last instance of power, against which there is no appeal to another instance (see section "Some Anthropological Considerations on War," previously),[101] is that the state is a territorial monopolist in violence; its main *raison d'être* is extracting taxes from the people living in its territory.[102] What distinguishes the state from a band of robbers? It is the most powerful and hence the most dangerous of all bands of brigands; it originated in brigandage,

[100]Jasay, *Against Politics*, chap. 9, "Ordered Anarchy."

[101]In the European Union, the nation-states have lost a part of their sovereignty also because cases against the state in which an individual lives can be brought before the European Court of Justice. It is remarkable that the state that has lost the largest number of cases in Strasbourg is Sweden, the model democracy (see Sundberg's publications: *High-Tax Imperialism*; "Human Rights in Sweden"; and "International Aspects").

[102]As already mentioned, coerciveness is not a defining criterion of the state; the state would be a state even if, *per impossibile*, social contract were a tenable theory.

and it is a stationary bandit. This is the third *differentia specifica* of the state compared to a band of brigands.

It should be kept in mind that the state is an abstract organization; the government is its agent corporation. In some context, it is justifiable to treat government as a unit, as if it were an individual; however, in some other contexts, one has to attend to the various individuals embodying the government, since these individuals cannot have identical interests.

There is no principal difference between internal and external security. The production of external security is a necessary by-product of a state: the state has to protect its tax base against potential rivals, other governments; roads, too, are such a by-product, necessary to move the military forces and to get easy access to the taxpayers. Likewise, internal security is a by-product, but serious attention is paid to it only when a deteriorating security situation begins to threaten the tax income of the state. With respect to internal security, trust in the state as provider has largely disappeared. Private police has become a growth industry. In the U.S., for example, 1.6 million security personnel are privately financed and cost about $52 billion per year. In Germany, the privately financed security personnel outnumber the taxpayer-financed. The most shining examples are the gated communities.[103] *That the public is willing to pay private providers so much shows that the government has already lost a part of its monopoly in violence* and that certain functions that the government has usurped are being reprivatized.[104] Other functions of government have been taken over by intergovernmental or nongovernmental corporations.

By contrast, with respect to external security today, the only violence agency we know is state-employed military forces—which hence are paid (coercively) by the taxpayer. Hence,

[103]Creveld, *Rise and Decline of the State*, p. 408.

[104]Arthur Seldon, *The State Is Rolling Back* (London: Institute of Economic Affairs, 1994); Creveld, *Rise and Decline of the State*, p. 401.

national defense is the *piece de résistance* of the statists, who claim that the state is indispensable.

Every violence agency has protective and aggressive aspects. According to classical contractarian theory, the state is a protective state and nothing else—protection of property (body, life, material resources, etc.). However, it is obvious that Leviathan—once the people have handed over their arms to it—can commit aggressive acts against those who have given him his limited and strictly defined mandate. It turns out that the state has more aggressive than protective aspects and that it is aggressive all the time by exploiting its taxpayers far beyond the resources it would need to fulfill its protective function: It has become *a stationary bandit.* By contrast, a private security agency cannot turn against its own clients, since they are paying customers, and the agency finds itself in a competitive market. Only a *monopolist* can do that. If a private security agency can afford to commit aggressive acts against its own clients, it has turned into a state or a state-like structure. It all depends on whether or not there is competition—the best means to tame power.

The state is Janus-faced in principle. With progressive democratization it has progressively overstepped its mandate and taken over more and more functions.[105] It has become primarily a provider state. Classical liberals did not even protest against this development toward a productive state as a principle.[106] In addition, the state squanders the resources it has extracted from its citizens. As mentioned above, in mass democracy, "The state is simply a mechanism to enable the winning coalition to exploit the rest, the losing coalition without

[105]Arthur Seldon, "The Evidence of History," and "The Verdict of History," *Economic Affairs* 14 (1984): 6–7 and 43–45, respectively.

[106]This holds also for Hayek. See Gerard Radnitzky, "Hayek's Political Philosophy—A Critical Assessment," *Journal des Economistes et des Etudes Humaines* 9, no. 2–3 (1999): 389–433. and "Hayek on the role of the state: A radical libertarian critique," *Policy* 16, no. 1 (2000): 16–20.

violence."[107] In this sense democracy is really peaceful. Instead of "government of the people, by the people, for the people," democracy has become, in the memorable words of Arthur Seldon, "Government of the busy, by the bossy, for the bully."[108] "Of" the politically inactive people, "by" the politically skilled people, "for" the politically organized people—the vote-providing interest groups who have the power to blackmail the vote-catching politicians and who always clamor for more redistribution.[109] The government clearly serves aggressive interests.

Stocktaking of the present situation

As mentioned (section 9.1, first para.), the internal security produced by the state is deficient; in practice only the elite of the political class and some VIPs are really protected. In external security, the European states have relied on the Pax Americana, since the end of the 1940s, when for a time Germany had become the glacis of the U.S.'s defense. The U.S. itself has engaged only in aggressive wars, and it has been highly interventionistic (Vietnam, Somalia, and Kosovo, just to name a few well-known cases). After World War II, there was a multitude of wars, but only wars between states of the fourth or third rank.[110]

As a monopolist, the state devotes little attention to the demand side, whereas a private security agency has to attend to it (Hardy Bouillon). In the context of mass democracy, vote-catching politicians know that an increase in social expenditures pays

[107]Jasay, *Against Politics*, p. 2.

[108]Arthur Seldon, "Politicians For or Against the People," in *Government: Servant or Master?* Gerard Radnitzky and Hardy Bouillon, eds. (Amsterdam: Rodopi, 1993), pp. 3–21.

[109]Gerard Radnitzky, "Il Ridistributore: Machiavelli for parliamentarians in welfare democracies," excerpted and translated by Wolfgang Kasper, *Policy* 15, no. 2 (1999): 40.

[110]Creveld, *Rise and Decline of the State*, p. 34.

off, whereas an increase in military expenditures does not. Hence it is likely that the quality of the state-provided product will be low and the costs will be high and that also in this area the state will not work as efficiently as private providers could.

THE DEFENSE AGENCY MODEL FOR COMPARING PUBLIC AND PRIVATE SECURITY PRODUCTION ON THEORETICAL LEVEL

First, a model is presented for individual agents, then the question is raised whether or not the model can be extended to collective entities.[111] The model does not have recourse to any value judgment nor to an image of man, and its assumptions, all descriptive sentences, appear realistic.

The type situation is a three-person game: an aggressor A, a defender D, and a bystander C.

Assumptions

1. Two together are stronger than one alone; two can prevent that one dispossessing them, and two can dispossess one.

2. D owns some property, and the property of D (the potential booty of the aggressor), as well as the property of A, if any, is divisible.

3. Both aggressor and defender are free to attract allies.

4. Minimal rationality, e.g., the appraisal that something is better than nothing.

5. D is willing to pay for security, and A is willing to pay for assistance in aggression.

6. The *pacta sunt servanda* principle is respected by both A and D.

The incentive structure

For an attack to be plausible, we should also assume (7) that D, the defender, is richer than the aggressor (which will apply

[111]René Goergens designed the model; it takes some inspiration from Jasay and also from Hardy Bouillon.

in most cases), and to simplify the model, we assume (8) that A is propertyless.

Comments on the assumptions

The assumptions are unproblematic. (1) is trivial; it is explicitly stated to stress a feature of the situation. (In the section "Practical Evaluation of the Democratic Method," a model of democracy as a three-person game was outlined, with reference to Jasay.[112] The democracy model assumes also that each vote has the same weight, the "one-man–one-vote" rule.) (3) is inspired by Jasay's critique of Hobbes;[113] it is fairly obvious, except in perverse framework conditions. (4) is a reasonable assumption about the psychology of A and D; everything else would be classified as psychopathic. (5), too, is an assumption about the psychology of A and D, which appears reasonable. Cases where it is not realized do not seriously reduce the model's realm of applicability. (6) presupposes a minimal morality, which may be safely assumed for "normal" (in the statistical sense) cases. If in a social order it is not respected in most cases, that order is likely to disintegrate, because in it nonsimultaneous exchanges are too insecure to take place, and in an order relying solely on spot exchanges, people would have to starve. Since we do not assume an efficient ultimate enforcer, assumption (6) is necessary. (The assumption of an enforcer would be problematic, and defending it would require a digression on the topics of state and "ordered anarchy," i.e., lead to a problem shift.)

In (3), we made the reasonable assumption that both A and D are free to attract allies. Hence, the key question is: *Which coalition is more probable?*—probable in the sense of both statistical frequency and propensity probability. Let us consider the two relevant (type) cases.

[112]Jasay, *Against Politics*, p. 200.

[113]Ibid., p. 199.

CASE 1: A coalition in favor of attack

If C supports A, they together can dispossess D. In order to avoid quarrels over the booty, they will probably agree to a 50-50 deal. Hence, the realistic expectation of utility "payoff" (gain or avoided loss the side would get if it won the fight) is half of D's property.

Extreme solutions

The maximum payoff for C is almost all of D's property. According to assumption (4), A will prefer getting a tiny fraction over getting nothing at all. In extreme cases where A wants to attack D independently of any consideration of a possible material "payoff," he will be satisfied even with nothing; his "payoff" will be psychological, e.g., glee or reduction of the pain of envy.

CASE 2: A coalition in favor of defense

If C supports D, A gets nothing; C gets a reward, which may include A's property, if A has any. D may offer C up to half of his property (less the property of A, if any), because this is what C would maximally get if he chose to join the attacking coalition.

Extreme solutions

The maximum "payoff" for C is almost all of the property of D (less the property of A, if any); in the limiting case, a pessimistic D, in order to avoid an attack that would dispossess him entirely, may even prefer keeping a tiny fraction of his property to not paying C (according to assumption [4] above).

It is likely that a rational C would be interested in finding out the maximum of the expected "payoff" that he possibly can extort (e.g., if C is a mercenary). Thus, he will make repeated inquiries at A and D, and hence the price of security production will escalate up to the extreme solutions. In the end, an indifference point will be reached where A and D offer the same amount to C; in this case, the "payoff" in both extreme solutions is the same.

To make the model as simple as possible, it was assumed that A is propertyless (assumption 8). If so, C would get the same amount whether he joins the attacking coalition or the

defending coalition (as argued in the extreme solutions). In a market situation, both A and D would rationally pay any price—A for obtaining a tiny fraction of the booty, and D for keeping a tiny fraction of his property.

Hence, it turns out that *we need another criterion to assess the probability of C's choice.* It should enable us to assess the probability that C, as rational actor, will join the defense coalition. Externalities provide such a criterion. For C, a good reason for joining the defense coalition is that he recognizes that one day he may himself be in a situation where he has to defend his property; this is the case if he either is not propertyless or expects to have property later on. If he joins the aggressive coalition, he thereby makes property less secure in the social order in which he lives, including his own property, and in general he contributes to undermining the institution of property. His choosing to form a coalition with the aggressor would produce—as unintended consequences—negative externalities that he cannot avoid internalizing himself. Also the converse holds: by joining D, the defender, C creates positive externalities from which he himself will profit: he will lower the cost of security production in general. (Of course, in the short run, the profit C could make by joining A could be larger than the costs he incurs. However, this may turn out to have been a short-lived advantage for which he later may have to pay dearly.)

For many, it may be tempting to explore the possibility of transposing the model from individual players to collectives: to conceptualize A, D, and C as groups, firms, or organizations. C may be, e.g., an organization of well-armed mercenaries or a privatized professional army.[114]

If you try that approach, you will ask what is likely to happen if further bystanders enter the scene. Since the incentive structure is the same for all bystanders, they will compete

[114]J. Marguin, "La Privatisation des Forces Armées: Une Evolution Inéluctable?" *L'Armement* (March 2000); special issue *Horizon 2030*, pp. 144–50.

against each other as security providers. Competition will here, as everywhere, lower the costs—in this case, the costs of security production. Thanks to competition, the escalating process is reversed: the maximum expected payoff is deflated, because in a competitive market (free, private market—free from state interference), the minimal price will be found out. Thus, in the end, any defender D will have to give up only a tiny fraction of his property to a potential C, a security provider (powerful enough to ward off a possible aggression) in order to pay the price he charges for his assistance against a potential aggressor. The collectives that want to make provisions for their security needs will shop around in the market for security production.

The extended model too does not make recourse to any (subjective) value judgment and does not make any unrealistic assumptions. It seems to show that an effective and efficient private security production is not only feasible but plausible.

Is the picture we have drawn too rosy to be true? Is there a hidden catch?

Unfortunately, there are at least two.

First, the step from the individuals A, B, C to collectives is not justifiable in principle, since the members of the collectives have various interests. The approach turns out to be incompatible with methodological individualism. Not infrequently, the politicians at the top turn out to be aggressors who implicitly wage war against members of the societies they govern (Wolfgang Kasper). Witness the deceit and propaganda lies exemplified in the historical case study by Joll outlined earlier. Hence, the assumption of "minimal rationality" has to be interpreted differently for the political leaders (persons who do not bear the costs of the consequences of their decisions) and for the group governed. History shows that the *pacta-sunt-servanda* principle applies to powerful states only so long as there is a possibility that the transgressor of the principle be called to account for his action. Aggressor states will break it whenever they can do so without fearing costs, punishment. Think of the Hitler-Stalin Pact of 1939, where each of the parties to the contract prepared war against the other as early as

13 November 1940 (Molotov's visit to Berlin, where he submitted Stalin's requests). (Which party began the shooting war was largely a matter of historical accident; whether to call it an assault or a preventive strike is but a value judgment from a particular perspective.)

Second, there is a real, not merely potential, risk that a powerful defense agency may eventually become a near-monopolist, and hence become progressively more like a state. Mercenaries have sometimes taken over the state. After all, states originated in brigandage or in a mix of defense agency and brigandage.[115]

In summary, *à contre-cœur* we have to abandon an approach that looked promising—unless we assume that the incentive structure for the top people in a private defense agency will be drastically different from that in a state-like structure. Unless we are willing to add that risky assumption to our list of assumptions.

Some Remarks on the Possible or Likely Decline of the State

In the post-World War II period, the situation has been changing, slowly but steadily. Major wars have disappeared, mainly because of the nuclear deterrence. Nuclear weapons might become more and more irrelevant, because sooner or later, counterweapons may appear, like the National Missile Defense (NMD) and Theater Missile Defense (TMD) programs. Oceangoing navies are disappearing, the only exception being the U.S.[116]

[115]A historical example: A young man's favorite horses were stolen. He and his friends chased the robbers, killed them, and triumphantly returned with the horses. This gave him such a reputation that his gang became a prospering defense agency. The activity became a growth industry. The final result was the Mongol Empire, encompassing most of Asia and the territories reaching to the Dnieper River in Eastern Europe. The young man was Genghis Khan.

[116]Creveld, *Rise and Decline of the State*, p. 346.

Sometimes, the arms race appears to be self-stultifying—e.g., the U.S. B-2 bomber is so expensive that there are scarcely any targets justifying the risk of its deployment.

Conscription (a modern form of slavery) has almost disappeared: It was abolished in the United Kingdom in 1960, in the U.S. in 1973, in Belgium in 1994, and in France in 1996. They all put their trust in all-volunteer, professional forces. The FRG may soon be obliged to replace conscription by other forms of "national service"; politicians seem to take the *Arbeitsdienst* of the National-Socialist German Workers Party as their model. The states have become peaceful because they have run out of people willing to sacrifice themselves on its behalf if called upon.[117] The deployment of the NATO air force in the Kosovo war showed that the primary interest was to avoid casualties due to enemy action; the deployment of ground forces was ruled out from the beginning. States that have become partially impotent are not likely to engage each other in major hostilities.

With respect to internal security, the citizens' trust in the state has largely vanished. This is shown by the growth of the private security industry. We mentioned that the number of such firms tripled in Germany from 1984 to 1996 and that, in 1995, the industry's turnover in the U.S. totalled $52 billion per year. Another sign is the emergence of gated communities, from South Africa to the U.S., where their number reached 30,000 in 1997. If that development gathers momentum, it may lead to "less politics." In summary, we witness a decline of the state's willingness and capability to perform its most elementary function of providing security. In view of the felt impotence, states give up part of their independence by forming unions like the European Union. By forming such taxing cartels of states, they make it more difficult for their citizens to find escapes.

The private security industry seems to extend its services from internal security to include also external security.[118] As

[117]Ibid., p. 408.

[118]Ibid., pp. 404 ff.

Creveld mentions, the range of services that firms of mercenaries offer is astonishing, and in some cases, security firms count governments among their clients.[119]

Some Standard Questions Coming From the Military

As proponents of the privatization of the army, libertarians must be prepared to answer some standard questions from the military. The people living in a state or region find themselves in a situation with certain insecurities or potential threats from powerful neighbor states. *The first task of a military planner is to identify from where an attack has to be feared and how to meet it, if need be.* Then he must make a description of the potential enemy and an inventory of his military potential. Using the present situation as a starting point, we notice that research and development of a first-rate military power is enormously costly. For instance, to reduce costs, the U.S. Air Force produced scarcely any hardware and focused on software—a decision that proved to be right. The aerodynamically superior MIG 29 was no match for the fighter planes with a more powerful radar. Unless a private defense agency could afford such costly adventures (which seems doubtful), it could not compete with big nation-states as we know them today.

At any rate, the potential customers for private security services enter the market for military services with certain concrete demands. They have observed that states (under the political pressure of the lobbies of the armament industry) act in such a way that a particular system is established: first, military advisers are sent to a foreign country; then follow arms sales to those countries; and eventually, a big-nation state gets itself entangled in the net of that system and finds itself in a war "at the other end" of the world (as with the Vietnam War mentioned previously). It has become doubtful that the state is the ideal security provider, and it is no longer plausible that it

[119]Ibid., p. 405.

should be the only possible provider. At any rate, *the potential customers of private security production will shop around for offers that would satisfy their often very particular security needs.*

Different countries have different defense needs, often highly specialized needs. Private suppliers of external security production must make it plausible that they can meet the highly specialized defense needs of different countries or regions. *The products offered must be tailored to the needs of the people living in a given territory with a given geography.* Just two examples: Swiss defense efforts have traditionally focused on the defense of mountains, e.g., building tunnels in the mountains to be used as starting strips for interceptor aircraft.[120] The interceptors would land on a landing strip and then be taken by an elevator to the starting tunnels. Hence, there is the need for a very specialized logistic.[121] All this will be very costly for a provider of defense. Natural monopolies will tend to develop. Will there be a real market for such highly specialized services? Or take Sweden as an example. With its long coastline, it cannot use ordinary submarines but needs highly specialized small submarines and land forces that can intervene quickly and successfully, if the enemy has established a foothold on the shore. (Great Britain bought Eurofighters instead of Tornados, because it focused on short-distance defense and low-level flying.)

Moreover, a private defense agency has to cover considerable costs for *permanent preparedness.* It must be able to match a surprise attack by a potential enemy. The preparedness

[120]Only the F-15 proved to have a sufficiently narrow wingspan to be usable for that purpose.

[121]If motorways are built in such a way that they can also be used for the starting and landing of military aircrafts, they have to be reinforced so that they can stand the pressure of very heavy supply aircraft.

has to take all possible scenarios into account.[122] Preparedness is costly and may cause a problem for a private security provider. A private defense agency must also be able to meet the strategic inventiveness of the potential attacker. (One historical example is the strategic genius of General Guderian, who in World War II invented mobile warfare: tanks in radio communication with a command center and operating with air support by tactical fighter aircrafts. On the French side, only de Gaulle grasped the situation, but his tank forces were incapacitated by the Stukas (Ju 87)—another innovation in military technology. A second example is the invention of special pioneer services which, combined with transport gliders, made the French Maginot Line a gigantic misinvestment.) The inventiveness in military technology (application of the results of research) depends on the progress in the corresponding basic sciences, and basic or "pure" science has so far been financed exclusively, or at any rate mainly, by the state, i.e., by the taxpayer (whether he likes it or not). Private research institutions have most often been subsidized by taxpayers' money.

Surely, the market can offer better and cheaper products, products tailored to the needs of the customer. This is scarcely contested any longer. However, national defense and privatizing the army is the *pièce de résistance* of the statists. At the moment, whether or not private security providers can meet the highly specialized needs of various customers is an open question. At present, private security providers are probably in a better position with respect to low-intensity wars (see "The Defense Agency Model for Comparing Public and Private Security Production on the Theoretical Level"). At any rate, *libertarians must be prepared to answer the questions of the professional militaries.*

[122]It was mentioned earlier that the USSR in 1941 had concentrated all efforts on a vast buildup of attack forces and stupidly disregarded the possibility that the intended enemy would strike first, even if only by days or hours. They had no defense preparedness at all—with catastrophic results.

Epilogue

The question of the link between democraticness and peacefulness may have to be seen in a new light when the concept of war itself is changing and its boundaries become fuzzy. Conventional historians tend to ignore the economic significance of the use of force. In thought-provoking books J.D. Davidson and W. Rees-Mogg elaborate the thesis that history seems to be largely determined by military technology.[123] They identify eras of civilization: the modern era beginning with the use of the bronze cannon and lasting from about 1500 to about 2000. At that time we have entered the era of IT-technology. Whether this new technology will free the individual from the state's oppression or increase the state's control and be deployed in the "war against privacy" is an open question. I guess that in the competition between private individuals and agencies on the one hand and state-employed ones on the other, the privately-employed individuals will be better motivated. Technological innovations have—as a by-product—increased the vulnerability of societies. A current conflict changes its nature as it goes. Thus the targets of Bush II's "war against terrorism" gets more and more blurred while the alliance with other states gets more fragile. The concepts of conflict and strategy have to be analyzed.[124] According to Clausewitz "War is the continuation of politics by other means," but also the converse holds: Politics is the continuation of war by other means. More and more nongovernmental agents appear on the scene, and the phenomenon of "asymmetrical war" has become more prominent. A small state or even a group of individuals show capability and willingness to attack an established military power—sometimes even with

[123]J.D. Davidson and W. Rees-Mogg, *The Sovereign Individual. The Coming Economic Revolution: How to Survive and Prosper in It* (New York: Pan Books, 1994).

[124]Montbrial, Th. de. *L'action et le système du monde* (Paris: Presses Universitaires de France, 2002).

success (11 September 2001). Wars by proxy and "low-intensity wars" have become more frequent. Most important of all, with the advent of new sorts of violence the perpetrators of violent acts are more difficult to identify and hence to combat.

Section Three

Private Alternatives to State Defense and Warfare

6
Mercenaries, Guerrillas, Militias, and the Defense of Minimal States and Free Societies

Joseph R. Stromberg

War and Economics

Ludwig von Mises, founder of neo-Austrian economics, saw economics as part of praxeology—the deductive science of human action. His student, the late Murray N. Rothbard, once drew up a list of possible subfields of praxeology. One such field was the analysis of hostile action.[1] Our topic lies where economics and hostile-action studies meet. Historians and sociologists often bring only second-hand economic theory into their work, although ideally, in Mises's words, "[g]eneral sociology . . . approaches historical experience from a more nearly universal point of view than that of the other branches of history."[2] Thus, historical sociology grounded on sound economics *could* usefully address issues of war, peace, and statism.

Conflict theories of the state are found in Herbert Spencer, Charles Comte, Charles Dunoyer, Franz Oppenheimer, Max Weber, Alexander Rüstow, Hugh Nibley, and recent writers like

[1]On "praxeology," see Ludwig von Mises, *Human Action*, 3rd rev. ed. (Chicago: Henry Regnery, 1966), pp. 11–71; for its subfields, see Murray N. Rothbard, *Man, Economy, and State* (Auburn, Ala.: Ludwig von Mises Institute, 1993), p. 65; and "Praxeology: Reply to Mr. Schuller," *American Economic Review* 61, no. 5 (1951): 945–46.

[2] Mises, *Human Action*, p. 30.

Rothbard, Charles Tilly, and Robert Carneiro.[3] Public choice theory rounds out a potential synthesis, along with the newer critical literature on "public goods" and the British post-Marxist sociology of John A. Hall, Anthony Giddens, Michael Mann, and Sir Ernest Gellner.[4]

Substantive Issues Regarding Provision of Security or Defense

Does provision of protection—security, defense—truly require a territorial monopoly of violence in the hands of the state? Hans-Hermann Hoppe, Jeffrey Hummel, Dan Garrett, and others suggest that security is divisible and manifold and that the "free-rider" problem "proves" far too much. Hoppe states the central problem as follows: "A tax-funded protection agency is a contradiction in terms and will lead to ever more taxes and less protection."[5] The sheer number of people killed by states in the twentieth century—up to *100 million*, with more killed in peacetime "social reconstruction" than in wars—makes one suspect that state-provided security is extremely expensive in all respects and that meaningful alternatives have been overlooked. One

[3]See Robert Carneiro, "A Theory of the Origin of the State" in *The Politicization of Society*, Kenneth S. Templeton, Jr., ed. (Indianapolis: Liberty Press, 1979), pp. 34–36.

[4]See especially Michael Mann, "States, Ancient and Modern," *Archives Européennes de Sociologie* 18, no. 2 (1977); 262–98, and idem, "The Autonomous Power of the State," *Archives Européennes de Sociologie* 25, no. 2 (1984): 185–213.

[5]See Hans-Hermann Hoppe, "The Private Production of Defense" (Auburn, Ala.: Ludwig von Mises Institute, n.d. [*Essays in Political Economy*]), pp. 1–16; quote from p. 5; Jeffrey Rogers Hummel, "National Goods Versus Public Goods: Defense, Disarmament, and Free Riders," *Review of Austrian Economics* 4 (1990): 88–122; and Dan Garrett, "Public Goods and the Justification of the State: Review of David Schmidtz, *The Limits of Government*," *Humane Studies Review* 7, no. 2 (Spring 1992).

proposal in the literature[6] is for market-based defense undertaken by competing insurance companies which, in time, replace states.

Types of Warfare

We may leave aside tribal and feudal warfare with their cattle raiding, personalism, and epic poetry. In Europe, traditional war in a system of contending states featured maneuver and battle between professional "standing armies" commanded by aristocratic officers in the service of kings. Such warfare was less costly to both sovereign and society than modern war. Even the fierce competition of Early Modern times—with larger armies resting on public debt—did not completely alter this picture. According to John U. Nef, in the eighteenth-century war of Don Carlos—fought on Italian soil between Austria and a coalition of France, Spain, and Sardinia,

> the rival armies met in a fierce battle outside the town [Milan, and later, Parma]. In neither place were the sympathies of the inhabitants seriously moved by one side or the other. Their only fear was that the troops of either army should get within the gates and pillage. The fear proved groundless.[7]

The French Revolution overthrew the old order in warfare and, as Pierre van den Berghe writes, "spawned a lethal monster, the Jacobin, nationalist state." Today, we think of war as necessarily involving mass conscript armies, ideological manias, and an ever-growing array of "weapons of mass

[6]See, e.g., Hoppe, "Private Production of Defense"; Murray N. Rothbard, "Society Without a State," *Nomos* 19 (1978): 191–207; and Linda and Morris Tannehill, *The Market for Liberty* (Lansing, Mich.: Tannehill, 1970).

[7]John U. Nef, quoted in Murray N. Rothbard, *Egalitarianism as a Revolt Against Nature and Other Essays*, Roy A. Childs, ed. (Washington, D.C.: Libertarian Review Press, 1974), chap. 3, "The Anatomy of the State," p. 51.

destruction." As Hoppe writes, this pattern grew up with "democracy," where professional politicians not subject to traditional monarchical restraints control the monopoly of defense provision.[8] The democracies' twentieth-century rivals—mass-incorporating totalitarian regimes bent on social engineering—also broke the bands of the Old Regime and the laws of war. Other military models—mercenaries, militias, and guerrillas—coexisted, however, with royal armies and mass conscript armies.

Security Provided by Hired Forces

Mercenaries played an important role in the politics of Renaissance Italy, where wealthy merchant oligarchies in city-states provided for their defense by hiring soldiers. A number of benefits flowed from this system. The thrifty bourgeois who hired mercenaries could dismiss them when their work was done. The soldiers had no great incentive to kill or be killed, and their commanders would jockey for advantage and surrender when they lost it. As British jurist F.J.P. Veale wrote, "soldiering became a reasonable and comparatively harmless profession." Rules were followed, including one "that a town could only be sacked if it offered resistance."[9]

Jacob Burckhardt writes of Jacopo Sforza, a famous mercenary "captain" (chieftain) who served many local strongmen or *condottieri*, that

> in monetary affairs Jacopo was thoroughly trustworthy; even after his defeats he found credit

[8]Pierre L. van den Berghe, "Denationalizing the State," *Society* 33, no. 2 (January-February 1996): 64. On relative costs of monarchy and democracy, see Hans-Hermann Hoppe, "Time Preference, Government, and the Process of De-Civilization" in *The Costs of War*, John V. Denson, ed., 2nd ed. (New Brunswick, N.J.: Transaction Publishers, 1999), pp. 455–508.

[9]F.J.P. Veale, quoted in Rothbard, "Anatomy of the State," pp. 50–51.

> with the bankers. He habitually protected the peasants against the license of his troops, and disliked the destruction of a conquered city.

He had three rules: "Let other men's wives alone; strike none of your followers, or if you do, send the injured man far away; don't ride a hard-mouthed horse, or one that drops his shoe." This seems pretty reasonable for a warrior, but Jacopo's son, Francesco Sforza, took political power at Milan, an outcome which illustrates the downside of Italian mercenary warfare.[10]

The career of John de Hawkwood, an English veteran of the Battle of Crécy, is illustrative. Hawkwood's famous White Company fought from the 1360s into the 1390s. While Hawkwood kept his contracts and did not switch masters until his job was done, he did become territorial lord over two great estates given him by the papacy in lieu of money payment. Many mercenary captains aspired to become outright political rulers—men on horseback—rather than mere subcontractors in the business of security provision. As H. Hearder and D.P. Waley state, "[t]he interests of employer and employed were divergent. The *condottiere* sought wealth, fame, and a territory of his own."[11] Worse, cities sometimes felt bound to pay for more soldiers than were actually needed, to keep their mercenaries from switching allegiance.

[10]Jacob Burckhardt, *The Civilization of the Renaissance in Italy* (New York: New American Library, 1960), pp. 53–54. Part One, "The State as a Work of Art," pp. 39–120, surveys the complex mixture of feudalism, republicanism, and private warfare which were hallmarks of Renaissance Italy. See also Daniel Waley, *The Italian City-Republics* (New York: McGraw Hill, 1969), esp. pp. 132–35.

[11]H. Hearder and D.P. Waley, eds., *A Short History of Italy* (Cambridge, U.K.: Cambridge University Press, 1963), pp. 78–79. On Hawkwood, see the three chapters by William R. Forstchen in *Mercs: True Stories of Mercenaries in Action*, Bill Fawcett, ed. (New York: Avon Books, 1999), pp. 20–43.

Niccolò Machiavelli, republican theorist and militia organizer, condemned mercenaries out of hand. From his standpoint, mercenaries were base individuals outside society. J.G.A. Pocock writes that, for Machiavelli, "[a] soldier who is nothing but a soldier is a menace to all other social activities and very little good at his own."[12] Even if this objection is met, there remains the conceptual problem previously noted—territorial monopoly—even if these bourgeois were successful, for a time, in cutting their costs.

"Sometimes," Lewis Mumford writes,

> the cities employed professional mercenaries to assert their mastery over their rivals: the Pisans were among the first to hire professional soldiers in war against Florence; and their success was so humiliating that the latter city began to lose faith in its boasted citizen army. Florence, a free city, contracted to surrender its freedom a second time, in 1322, to the King of Naples, in return for his protection.[13]

Militarily successful cities readily gave in "to the temptations of a predatory and parasitic life . . . alternately repeating the political mistakes of the Spartans and the Athenians, if not the Romans."[14]

In the end, the Italian city-states—whether defended by mercenaries, militia, or feudal levies—succumbed to the intervention of larger territorial states. French invasion of the Kingdom of Naples in September 1494 marks the beginning of the new era. Bruce Porter comments:

[12]J.G.A. Pocock, *The Machiavellian Moment: Florentine Political Thought and the Atlantic Republican Tradition* (Princeton, N.J.: Princeton University Press, 1975), pp. 199–200.

[13]Lewis Mumford, *The City in History* (New York: Harcourt, Brace and World, 1961), p. 352.

[14]Ibid.

> The debacle of the Italian city-states shows the difficulty of such small "firms" surviving unbridled war, whereas the case of the Swiss Confederation indicates that economy of scale was not a absolute condition of survival: a small state could survive if its territory was defensible and its population highly cohesive.[15]

Before the French Revolution showed states how to tap deeply into manpower reserves, even large territorial states sometimes employed mercenaries to supplement their regular armies. A well-known instance is British use of Hessian mercenaries in the American Revolution. In late modern times, states have typically condemned the use of military force by any "private" and "unauthorized" bodies. In the last two decades of the cold war, for instance, the Soviet bloc in the U.N. consistently demanded that mercenaries be defined as "criminals" at the same time they called for extending the protections of the laws of war to guerrillas whom they were supporting.[16]

With modern mercenaries (perhaps most noted for their activities in post-colonial Africa), the problem of "who pays"—actual individual consumers of security or territorial-monopolistic states?—remains central. One suspects that covert agencies of imperial states that wish to dodge responsibility for certain actions constitute much of the "market" for today's mercenaries. A recent "defense" of mercenaries by the novelist Frederick Forsyth is set in the same framework; Forsyth apparently hopes that Western interventionist states afraid of suffering casualties among their regular forces will enroll mercenaries rather than give up intervening in other countries'

[15]Bruce Porter, *War and the Rise of the State* (New York: The Free Press, 1994), p. 59.

[16]H.C. Burmeister, "The Recruitment and Use of Mercenaries in Armed Conflicts," *American Journal of International Law* 72, no. 1 (January 1978): 37–56, esp. 53–56.

affairs.[17] This would seem to have little to do with the security, protection, and defense of real individuals and their families and properties.

Militias and Security

Militia systems characterize republics. Greek city-states and republican Rome equated citizen and warrior. Citizens had a personal obligation to take part in war. Republican military systems, which typically combined "middle-class" infantry with aristocratic cavalry, departed from an older Indo-European model, which (ideally) excluded economic producers from war. The writings of Aristotle, Titus Livy, and Polybius—and their successor, Machiavelli—are the seedbed of republican theory. Their ideas were taken up by eighteenth-century Americans, in whose war of secession from Britain's empire both militia and republican ideology played a role. The Second Amendment to the American Constitution reflects the practical and ideological background, although the amendment also enshrines an *individual* right of self-defense which grew out of English law and practice.[18]

In a survey of colonial and early U.S. legislation, Hummel concludes that local conscription underpinned the militia system until the Jacksonian period, when genuinely "volunteer" units came into being. Given the effectiveness of volunteers in the Mexican War (1847–1848)—albeit in temporary regular

[17]See the essays in Fawcett, *Mercs*, pp. 73–281; Frederick Forsyth, "Send in the Mercenaries," *Wall Street Journal* (May 15, 2000), p. A50.

[18]On republican theory generally, see Pocock, *The Machiavellian Moment.* On republicanism and private weapons, see Robert E. Shalhope, "The Armed Citizen in the Early Republic," *Law and Contemporary Problems* 49, no. 1 (Winter 1986): 125–41; and William Van Alstyne, "The Second Amendment and the Personal Right to Bear Arms," *Duke Law Journal* 43 (April 1994): 1236–55.

army units—Hummel asks whether coercion had been necessary for militias.[19]

Guerrilla Warfare and Security

There is no absolute distinction between militias and guerrillas. "Guerrilla warfare" refers to tactics and style rather than to preexisting force-structure. It is the way of the weaker side, whether in "internal" war, wars of secession, or wars against foreign domination. Mao Tse-tung provided this summary: "When the enemy advances, we retreat! When the enemy halts, we harass! When the enemy seeks to avoid battle, we attack! When the enemy retreats, we pursue!"[20]

Guerrilla strategists allow the enemy to advance into the interior, where his supply lines are longer, where he lacks popular support, and where partisans can harass his overextended armies. They force the enemy to exhaust his manpower and resources holding ground—until a decisive "battle of annihilation" against the weakened invader becomes possible (Yorktown, Dien Bien Phu). Militias, with their smaller size and greater mobility, are well suited for such warfare.

Guerrilla tactics are as old as organized warfare. The Roman consul Fabius "the Delayer" raided and harried Carthaginian invaders until Roman forces could launch decisive battles. The Peninsular War, in which royalist *juntas* fielded guerrilla bands against Napoleon, is a later example.

To complicate matters further, guerrilla war slides over into "revolutionary war." Sometimes the revolutionary goal is political secession or avoiding outsiders' rule. Even here, a social

[19]Jeffrey Rogers Hummel, "The American Militia and the Origin of Conscription: A Reassessment," *Journal of Libertarian Studies* 15, no. 4 (Fall 2001): 29–77.

[20]Quoted in Sun Tzu, *The Art of War*, Samuel B. Griffith, trans. (Oxford: Oxford University Press, [1963] 1971), p. 51.

revolutionary aspect creeps in, as in the American Revolution, where a well-defined libertarian-republican ideology led to reforms that ran alongside the military struggle. Elsewhere, ideologically motivated cadres (especially Marxists) have supplied political doctrine as part of military struggle.

THE AMERICAN REVOLUTION AND GUERRILLA WAR

William Marina writes that the American Revolution was a successful instance of "people's war." The British never grasped what the Americans were up to. George Washington, who leaned toward stylized European warfare and disliked militias, "arrived at his strategy to 'protract' the war," Marina writes, "[a]llmost by accident." Even "regular" American forces were not very regular to European eyes, and the role of militia units has been greatly undervalued. Americans took advantage of familiar terrain—forests, mountains, etc.—and lived off the land while harassing the overstretched foe. They enjoyed mass support. Where they did not, the war became a social struggle between local "Tories" and "patriots." Thomas Paine articulated the Americans' instinctive tactics, which the British likened to those of "Red Indians," and Charles Lee developed both the theory and practice of revolutionary war. Guided by republican theory, the Americans preferred militia-based forces to the standing armies associated with British imperial rule. They would raid often enough to confuse the enemy, go home to farm, and then resume the war. Compare Truong Chinh: "When the enemy comes we fight, when he goes away we plough." This may not have *looked* like war to the British, but it was effectively the basis of victory.[21]

[21]William F. Marina, "Militia, Standing Armies, and the Second Amendment," *Law and Liberty* 2, no. 4 (Spring 1976): 1–4, quote on p. 3; and "Revolution and Social Change: The American Revolution As a People's War," *Literature of Liberty* 1, no. 2 (April–June 1978): 5–39, esp. pp. 21–27. Truong Chinh quoted in Norman Gall, "The Legacy of

Confederate Guerrillas and Raiders (1861–1865)

Southerners may have lost their war for independence by not taking up revolutionary war. The conventional view has been that Confederate authorities failed to centralize sufficiently to keep large armies in the field. As Confederate commander-in-chief, Jefferson Davis followed a strategy of "offensive defense," which, by requiring large regular forces to meet invaders or even to invade enemy territory, likely sacrificed natural Southern advantages. These included a large interior, favorable terrain, a population familiar with firearms able to live off the land, existing militia infrastructure, and popular support. Davis's critics—Vice President Alexander Stephens, J.D.B. DeBow, Governor Joe Brown of Georgia, and Robert Toombs—lamented the government's rejection of the guerrilla option. Historians like Robert Kerby, Grady McWhiney, and Jeffrey Hummel now second the critics' view. By squandering limited manpower and resources in massive, suicidal frontal attacks on entrenched enemy forces armed with modern rifles, Confederate leaders "wore themselves out whipping the Yankees." They also wore out the Confederate people. This refusal to embrace workable tactics has been attributed to fear of social revolution, which would have unraveled existing racial relations—and not just slavery, which some Confederates were willing to sacrifice for independence. Kerby holds that guerrilla war suited the habits and political ideals of Southern society—individualism, personalism, republicanism, and decentralization—far better than the West Point war pursued from Richmond.[22]

Che Guevara," in *Revolution: A Reader*, Bruce Mazlish, Arthur D. Kaledin, and David B. Ralston, eds. (New York: Macmillan, 1971), p. 436.

[22]On these issues, see Robert L. Kerby, "Why the Confederacy Lost," *Review of Politics* 35, no. 3 (July 1973): 326–45; Grady McWhiney, *Southerners and Other Americans* (New York: Basic

In the Confederate west, Quantrill's Raiders practiced guerrilla warfare and tied down significant numbers of Union troops. In Missouri, the war was personal and brutal—one reason, perhaps, why Robert E. Lee called partisan war "an unmixed evil." In the east, the successes of Captain John Hunt Morgan and Colonel John S. Mosby with highly mobile cavalry led Union commanders to brand them "outlaws." This was essentially guerrilla war on horseback and a more intelligent use of horsemen than heroically colorful cavalry charges to wrap up colossal infantry battles.[23] Morgan and Mosby's gentlemanly bearing spared them the opprobrium generally assigned to Quantrill.

Davis's last message called on Confederates to go on fighting, freed from the burden of holding cities and territory.[24] It came far too late. As Stephens said, conservative Southern leadership had sidetracked the people's revolutionary instincts and wasted their enthusiasm.

Books, 1973), chap. 7; idem, "Who Whipped Whom?" pp. 105–27; and idem, "Conservatism and the Military," *Continuity* 4/5 (Spring/Fall 1982): 93–126; George M. Frederickson, "Why the Confederacy Did Not Fight a Guerrilla War After the Fall of Richmond: A Comparative View," Published Lecture (Gettysburg, Penn.: Gettysburg College, 1996); Joseph R. Stromberg, "The War for Southern Independence," *Journal of Libertarian Studie*s 3, no. 1 (1979): 31–53; Jeffrey Rogers Hummel, *Emancipating Slaves, Enslaving Free Men: A History of the American Civil War* (Chicago: Open Court, 1996); and Richard E. Beringer, Herman Hattaway, Archer Jones, and William N. Still, Jr., *Why the South Lost the Civil War* (Athens: University of Georgia Press, 1986).

[23]See Richard S. Brownlee, *Gray Ghosts of the Confederacy: Guerrilla Warfare in the West, 1861–1865* (Baton Rouge: Louisiana State University Press, [1958] 1986); John Ellis, *A Short History of Guerrilla Warfare* (London: Ian Allan, 1975), pp. 84–88; Virgil Carrington Jones, *Gray Ghosts and Rebel Raiders* (New York; Henry Holt, 1956); and James J. Williamson, *Mosby's Rangers* (New York: Ralph B. Kenyon, [1896] 1982).

[24]Davis is quoted in Kerby, "Why the Confederacy Lost," p. 345.

Afrikaner Commandos in the Second Anglo-Boer War (1899–1903)

Guerrillas can be defeated by an enemy even more willing to wage total war than was Abraham Lincoln. This was the case in South Africa. Afrikaners were good horsemen, superior marksmen, and tough frontier dwellers capable of waging protracted war. They had a preexisting militia institution, the commando, led by field-cornets, who had both civil and military duties.[25] These institutions had developed on the Boers' frontier of occupation for 200 years.

When war broke out in October 1899, Transvaal and Orange Free State commanders spent their forces in large-scale attacks and sieges. Britain prevailed in short order. As the British prepared to relax, Boers took up guerrilla war, changing the equation. As an ideology, Boer nationalism proved hardier than the underdeveloped Confederate nationalism. Afrikaner units soon put the British where American colonialists had put them two centuries before (as memorably stated in Edmund Burke's "Speech on Conciliation"): they could hold territory but not govern. They were not safe outside their strongholds.

The British adopted counterinsurgency tactics, driving Afrikaner women and children into concentration camps (where 26,000 died), and burning and destroying Afrikaner homesteads, livestock, and other property. Boer commanders—facing the destruction of their entire society—made peace and reasserted their nationalism politically (fatefully in the 1948

[25]F.A. van Jaarsfeld, "Die Veldkornet en sy aandeel in die opbou van die Suid-Afrikaanse Republiek tot 1870," *Archive Yearbook for South-African History* 13 (1950); Cmdt. J.J. Retief, "Die Ontwikkeling van die Rangstruktuur van die Boerekommando's, Deel I: 1715–1836," *Military History Journal* 9, no. 4 (December 1993); and "Die Ontwikkeling van die Rangstruktuur van die Boerekommando's, Deel II: 1834–1902," *Military History Journal* 9, no. 5 (June 1994); and Neville Gromm, "The Commando Act of the Orange Free State Republic," *Military History Journal* 1, no. 5 (December 1969).

election—a political Majuba Hill for England). As a Boer prisoner put it: "You English fight to die: We Boers fight to live."[26]

GUERRILLA WAR THEORIZED

There are other wars in which guerrillas played an important role. One thinks of communist-led guerrillas in Yugoslavia, Greece, China, and Vietnam, the Irish Republican Army, and the PLO. These did not all achieve victory, but guerrillas do create major problems for those geared to conventional war. A hard-nosed hegemonic power will follow counterinsurgency doctrine and tactics to defeat such enemies. This will involve war on the guerrillas' supporters—*reconcentración,* "strategic hamlets," massive air campaigns (generally counterproductive unless mere murder is rational), and the like. The Power then rails at the "bandits" and "terrorists" for *forcing* it to behave so badly.

It is said that guerrillas, by not answering to higher authority, immediately turn to savagery, lower the moral tone, and undermine the rules of warfare. This argument is not exhaustive. When partisans do conform to the rules, their enemy typically proclaims them "banditti" and "outlaws" liable to be shot if captured, thereby giving them no incentive to follow the rules. Certainly in the twentieth century, it has been *states* which notoriously have scrapped "laws of war" built up over several centuries—witness starvation blockades, unrestricted submarine warfare, ethnic persecutions, and terror bombing in the two world wars. Do guerrillas commit atrocities? Of course. Can they commit them on the scale of centralized states? Generally, no.

[26]Quoted in Ellis, *Short History of Guerrilla Warfare*, p. 119 and Boer War discussed, pp. 118–23. See as well Deneys Reitz, *Commando: A Boer Journal of the Boer War* (London: Faber and Faber Limited, [1929] 1975); John Fisher, *The Afrikaners* (London: Cassell, 1969), esp. pp. 164–67; and Thomas Pakenham, *The Boer War* (New York: Random House, 1979). Frederickson compares the two wars in "Why the Confederacy Did Not Fight a Guerrilla War."

In the nineteenth century, there were few partisan wars to stimulate military thought. In the twentieth century, the bond between anti-colonial revolution and guerrilla war has led to much theorizing about the latter. Here I shall only mention Michael Collins and Tom Barry, Ernesto Ché Guevara-Lynch (said to have carried Barry's *Guerilla Days in Ireland* with him on campaigns), Régis Debray, Mao Tse-tung, Lin Piao, Ho Chi Minh, and Vo Nguyen Giap.[27] A counterinsurgency literature developed as well, some of which ran aground in Vietnam.

It is true enough that guerrilla warfare can be brutal, but that is no great recommendation of official organized war. It is said that guerrillas never win without allies. The American and Vietnamese revolutions are mooted. The Confederates' and Boers' lack of foreign support is noted. But the American Revolution—certainly—did *not* need France to provide the margin of victory.[28] The Chinese Revolution succeeded with little real aid from its ideological allies. Victory or defeat for guerrillas depends more on morale, exploitation of advantages, weaponry, inventiveness, and the enemy's character. Anyway, foreign assistance comes with strings attached. It has been remarked that American revolutionary militias were effective locally but no good for invading Canada. This *localism* of militias is actually an argument in their favor—provided one only wants defense.

[27]See Vo Nguyen Giap, *People's War, People's Army* (New York: Bantam Books, 1962); Lin Piao, *Long Live the Victory of People's War!* (Peking: Foreign Languages Press, 1965); Michael Collins, *The Path to Freedom* (Boulder, Colo.: Roberts Rinehart Publishers, 1996); and Robert B. Asprey, *War in the Shadows: The Guerrilla in History*, 2 vols. (Garden City, N.Y.: Doubleday, 1975). For the point about Guevara, Tom Barry's *Guerilla Days in Ireland* (Cork: Mercier Press, 1955), was Ché Lynch Guevara's bible and source book. (Robert O'Driscoll, "The Aesthetic and Intellectual Foundations of the Celtic Literary Revival in Ireland," in idem, ed., *The Celtic Consciousness* [New York: George Braziller, 1982], p. 416.)

[28]Marina, "Revolution and Social Change," p. 24.

The Anomalies of "Defense": Implications for Security Provision

The late Enoch Powell, classical scholar and Tory MP, wrote that American "defense" policy in Europe had rested on two pillars. The first held that Soviet Russia was "bent upon the invasion and conquest of Western Europe"; the second, that "the invasion had been averted, and still continued to be averted" by the Americans' commitment to nuclear suicide. This was like "[t]he proof that elephants roam the railway lines because throwing bits of the *Times* out of the carriage window keeps them at bay." Both were "contrary to reason and observation."[29]

Lost in cold war "thinking about the unthinkable" was provision of security for real people, their families, property, and societies. Now we are back at the beginning. If states are unreliable providers of security—if, indeed, they are often the main danger to freedom and security, not only for foreigners but for "their own people"—how do we provide security while maintaining a free society and avoiding the trap built into state territorial monopoly? As Jeffrey Hummel has suggested to me, this is much the same question as how states arose in the first place.

Toward the end of his magisterial history of republican thought, Pocock writes that abandoning republicanism would be "the end . . . of the quarrel with history in its distinctively American form"—the end, that is, of efforts to prevent constitutional decay. "But what would succeed that perspective is hard to imagine—the indications of the present moment point inconclusively toward various kinds of *conservative anarchism*—and its end does not seem to have arrived."[30]

Classical liberals and republicans knew that military organization presents grave threats to social peace and freedom. The inadequacy of their chosen solution—written constitutions—

[29]Enoch Powell, "The Decline of America," *The Guardian*, (December 7, 1988).

[30]Pocock, *Machiavellian Moment*, p. 545; my emphasis.

has long been apparent. Mass movements to "restore" constitutions—in the United States or elsewhere—are extremely unlikely and would not address territorial-monopolistic provision of security. At most, such efforts might buy us a few decades off from living in "interesting times."

What is at stake is whether we can achieve Mises's "free and prosperous commonwealth," without seeing it fall back into state monopoly "centralysis." In any imaginable world, building free societies involves extreme decentralization, secession, free markets, and free trade. Radically free societies under law have existed: ancient Ireland, medieval Iceland, and colonial Pennsylvania are examples.[31]

Defending Ordered Freedom Against Rising States

If we could live in an ordered "anarchy"—or a federal republic so decentralized as to be a "near-anarchy"—how would we keep ourselves, our properties (our several territories), and our society safe from external and internal threat? Economic theory sets the problem out with utmost clarity. It cannot solve it unaided. It is here that we look to our liberal and republican forebears and historical "lessons."

The gravity of the quest was underscored by Jacob Burckhardt: "An echo of the terrible convulsions which accompanied the birth of the state, of what it *cost*, can be heard in the enormous and absolute primacy it has at all times enjoyed." Morton Fried writes that "the emergence of a state quickly catalyzes its hinterland so that a military necessity of defense is precipitated at the moment a state is born." Thus "the leap to

[31]Joseph Peden, "Property Rights in Celtic Irish Law," *Journal of Libertarian Studies* 1, no. 2 (Spring 1977): 81–94; Murray N. Rothbard, *Conceived in Liberty* (New Rochelle, N.Y.: Arlington House, 1975), vol. I, chap. 55, "'The Holy Experiment': The Founding of Pennsylvania, 1681–1690," pp. 402–11; and David Friedman, "Private Creation and Enforcement of Law: A Historical Case," *Journal of Legal Studies* 8 (March 1979): 399–415.

state occurs in a field of such leaps" so that "newly born state A finds itself not too far from newly born state B."[32] Whether referring to the state's defending itself *against* the hinterland or the hinterlanders need, *now*, to defend themselves from that state, the point is well taken.

An interesting test case occurred in South Africa. In 1848, Great Britain proclaimed the Orange River Sovereignty as an extension of Britain's frontier. A few Boers who saw themselves as loyal emigrants from the Cape Colony supported British rule. Most Boers resisted or ignored British rule. Some simply preferred existing arrangements with the neighboring Sotho King Moshweshwe, from whom they obtained land and with whose people they traded. Many English merchants favored accommodating Moshweshwe. Other Boers, less partial to Moshweshwe, also opposed British authority. By dogged resistance, "disaffected" Boers blocked British state-building, and British officials, who would not spend money and manpower to sustain the Sovereignty, withdrew in 1854. Nonetheless, a "successor state"—the Orange Free State—emerged, controlled by Boers and other (British) settlers who spied the rent-seeking opportunities—despite the recalcitrance of Boers still happy with the patriarchal near-anarchism of their *maatskappy* organization.[33]

[32]Jacob Burckhardt, *Force and Freedom: Reflections on History* (Boston: Beacon Press, 1964), p. 111; Morton Fried, "Tribe to State or State to Tribe in Ancient China?" in *The Origins of Chinese Civilization*, David N. Keightley, ed. (Berkeley: University of California, 1983), p. 479.

[33]See Timothy Keegan, "The Making of the Orange Free State, 1846–54," *Journal of Imperial and Commonwealth History* 17, no. 1 (1988): 26–54; and M.C.E. van Schoor, "Politieke Groeperinge in Transgariep," *Archive Yearbook for South-African History* 13 (1950). And see Joseph R. Stromberg, "Maatskappy, State and Empire," *Journal of Libertarian Studies* 14, no. 1 (Winter 1998–99): 1–26. Historians have often noted British unwillingness or inability to spend the money needed to sustain steady imperial expansion in nineteenth-century Southern Africa. See, for example, C.F. Muller, *Die Oorsprong van die Groot Trek* (Cape Town: Tafelberg, 1974),

That a local state emerged—called forth by interference and example—is not surprising. "Public choice" insights about political plunder doubtless apply. Branding Boers who rejected British rule—or even the rule of fellow Afrikaners—as "free riders" would hardly have fazed them. In their minds, *they* had provided their security and British offers of "help" rightly seemed mere imperialist rationalization.

Republican Reservations

At this point in our quest, where confederate republicanism and "anarchist liberalism" overlap, we find ourselves admiring militias—though we ask that they be voluntary rather than conscripted. (After all, in Old Testament times, the "faint of heart" were exempted from fighting but, presumably, did *something* useful for the cause.) Here, we would indeed wish to *plan ahead* for the resort to guerrilla tactics, against some power's decision to invade our homes and properties.

This brings us to the Absent Redneck Problem. This was put more elegantly by the great French liberal Benjamin Constant in the 1820s. Constant attacked fellow-liberal Charles Dunoyer's utilitarianism, which foresaw economic solutions for all problems. As Ralph Raico writes, Constant highlighted "a certain inner contradiction in the free society, which can only be compensated for by bringing into play anti-utilitarian forces, such as religious faith." Freedom's very success in bringing prosperity lessens the number of those—Greek Klephtes, Scottish

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pp. 177–79. It seems likely that the gold standard helped restrain British imperialists in the field, since any increase of imperial expenditures would have required Parliament—and ultimately the public—to accept tax increases in real money. Modern (U.S.) imperialism, resting on fractional reserve banking, can escape this limitation, at least as long as the monetary authorities do not blunder into runaway inflation or depression caused by inflation-driven malinvestment. See Hans-Hermann Hoppe, "Banking, Nation States, and International Politics: A Sociological Reconstruction of the Present Economic Order," *Review of Austrian Economics* 4 (1990): 55–87.

highlanders—who have the *skills* and personal *virtù* with which to defend it.[34] Many in the American heartland fear that, in the event of a dramatic assault on their freedoms, serious help may not be forthcoming from the Manhattan literati, however "conservative" some may be. They imagine having to do it themselves and wish therefore to keep their means of defense under the Second Amendment.

Absent rednecks *may* be a problem, but urban environments *per se* do not prevent creation and upkeep of militias. In the "great secession winter," it was militia companies (with links to the Democratic Party) in the towns of Maryland, Pennsylvania, and New York, which floated the idea of a Middle Atlantic Confederacy as a way of avoiding war between North and South. Certainly, Switzerland, as "modern" and urban as it wishes to be, is justly famous for its defensive militia system.[35] In any case, an ongoing contest over freedom might bring forth unforeseen allies from sundry social strata.

The Economic Perspective Once More

Ché Guevara understood the usefulness of decentralized command and tactical flexibility, as his writings show.[36] Yet as Cuban minister of economics, he labored under the delusion that socialist economic "planning" and calculation were possible. Edmund Burke famously said that the state is not "a

[34]Leonard P. Liggio, "Charles Dunoyer and French Classical Liberalism," *Journal of Libertarian Studies* 1, no. 3 (Summer 1977): 178; and Ralph Raico, "Classical Liberal Exploitation Theory: A Comment on Professor Liggio's Paper," *Journal of Libertarian Studies* 1, no. 3 (Summer 1977): 182–83 (from which the quotation is taken).

[35]William C. Wright, *The Secession Movement in the Middle Atlantic States* (Cranbury, N.J.: Farleigh Dickinson University Press, 1973); on Switzerland, see Stephen P. Halbrook, *Target Switzerland: Swiss Armed Neutrality in World War II* (Conshohocken, Penn.: Sarpedon Publishers, 1998).

[36]*Ché Guevara on Guerrilla Warfare* (New York: Frederick A. Praeger, 1961).

partnership agreement in a trade of pepper and coffee, calico, or tobacco, or some other low concern, to be taken up for a little temporary interest, and to be dissolved by the fancy of the parties."[37] Given the actual history of the twentieth century, we might wish to reject Burke's state-mystification in favor of his idea of loyalty to our own "little platoons." This latter Burkean theme bears linking up with the economic analyses of Molinari, Rothbard, and Hoppe. Thus we come back to those "unrepublican" mercenaries—now repackaged as security or defense companies.[38] But how do we get there? To put it another way, *the political and sociological problems still need solving so that the "economic" solution can come into its own.*

Conclusions: "New Model Non-Armies"

We start from the truism that defense has the advantage. Already in 1861, McWhiney notes, "the rifle gave defenders at least a three-to-one advantage."[39] And once people are driven to

[37]Peter J. Stanlis, ed., *Edmund Burke: Selected Writings and Speeches* (Garden City, N.Y.: Anchor Books, 1963), p. 471.

[38]Gustave de Molinari, "The Production of Security," J. Huston McCulloch, trans. (Occasional Paper #1, New York: Center for Libertarian Studies, 1977); Hoppe, "Private Production of Defense"; Murray N. Rothbard, *For a New Liberty* (New York: Collier Books, [1973] 1978), pp. 237–41; David Osterfeld, "Anarcho-Capitalism and the Defense of the Nonstate," *Libertarian Forum* 10, no. 2 (February 1977): 7–8; Morris and Linda Tannehill, *The Market for Liberty;* Jarret B. Wollstein, *Society Without Coercion* (Silver Springs, Md.: Society for Individual Liberty, 1969); Benjamin Tucker, *Instead of a Book* (New York: Haskell House, [1893] 1969), pp. 30–38 and 326–27; and David Friedman, *The Machinery of Freedom* (New Rochelle, N.Y.: Arlington House, 1978).

[39]McWhiney, "Conservatism and the Military," p. 125: "the Confederates might well have remained on the defensive and exhausted the North. Such a policy of economy would have been in accordance with *conservative principles of warfare*" (my emphasis).

guerrilla tactics, defeating them raises the ratio of attackers to defenders to somewhere between 4-to-1 and 6-to-1, or higher. Successful "pacification" and occupation may require a 10-to-1 superiority. This shifts costs—in all senses—massively to the attackers. This is why Britain drew so much manpower from Canada, New Zealand, and Australia to defeat a few "Dutch" farmers. The final outcome, of course, still hinges on such factors as weaponry, geography, ideology, morale, and leadership, but determined defenders may outlast all but the most powerful, wealthy, and vicious foes.[40]

Much is said about "industrialized" war—from 1861—but a turn toward lighter, more flexible weaponry and organization represents not "de-industrialization" but, instead, different choices of *goals*, strategy, and tactics. Certainly, defenders of ultra-minimal republics and "anarchies" will use products of modern industry, as available; but resorting to "primitive" means (man-traps, sharpened sticks) falls within praxeology's formal ends/means logic, which applies available means to problems at hand. This spotlights another advantage of genuine defense: the possibility of "pin-pointing" one's enemies, about which Murray Rothbard wrote. Guerrillas are able, potentially, to distinguish friend from foe and even friend from neutral. They *need* not wallow in the moral swamp of Total War, which finds carpet-bombing of civilians morally acceptable.[41]

[40]See Glenn A. May, "Why the United States Won the Philippine-American War, 1899–1902," *Pacific Historical Review* 52, no. 4 (November 1983): 353–77, where the failure of the Philippine cause is blamed on its leaders.

[41]On "industrialized" war, see William H. McNeill, *The Pursuit of Power* (Chicago: University of Chicago Press, 1982), pp. 144–387; John Keegan, *The Face of Battle* (New York: Viking Press, 1972), esp. pp. 228–31; and Anthony Giddens, *The Nation-State and Violence* (Cambridge, U.K.: Polity Press, [1985] 1987), pp. 222–54. On "pin-pointing" enemies in small-scale warfare, see Rothbard, "War, Peace, and the State," pp. 72–73; and Hoppe, "Private Production," pp. 10–11.

Carroll Quigley wrote in 1966 that "[a]ny drastic increase in the ability of guerrilla forces to function would indicate . . . an increase in the defensive power of existing weapons, and this, in turn, would indicate an ability to resist centralized authorities and . . . maintain and defend small-group freedoms."[42] Do such weapons exist? I believe they do, and we must recall that when Quigley wrote, the outcome in Vietnam was still in doubt. Certainly, the success of anti-Soviet guerrillas in Afghanistan (whatever the role of U.S. assistance) resembles Vietnamese guerrillas' success against Americans, and both wars struck blows comparable to what Boers did to the British Empire. In each case, defenders shifted significant *costs*—in the broadest sense—onto the attackers.

Would an announced intention to resort to such methods have a deterrent effect? Probably not, since would-be attackers always think themselves excused from historical pattern. On the other hand, no one has invaded Switzerland lately.

Real Defense: A Shifting Reality

I assume that minimal states and anarchies can do without nuclear bombs, cruise missiles, stealth bombers, and expensive "systems" suited to world conquest or universal meddling. As for the "force structure" of mere defense, I believe we would see some rough combination of militias and "insurance companies"—perhaps not as mutually exclusive as we think—with resort to mass-based guerrilla war, however and by whomever organized, *in extremis.*

As for "free riders," the American Revolution tells the tale. Had we sorted all that out, we would never have fought. Hummel throws a great Rothbardian "So What?" at the problem. He notes that, without free-riding, civilization itself would not exist.[43] Successful defense of freedom may require

[42]Carroll Quigley, *Tragedy and Hope* (New York: Macmillan, 1966), pp. 1208–09.

[43]Hummel, "National Goods Versus Public Goods," pp. 107–22.

the "anti-utilitarian forces" of which Constant wrote: nationalism, religion, the desire for freedom, hatred of the enemy, social pressure to do the right thing, and so on. Whether this represents "enlightened self-interest" may depend on the selves people have. Some who normally speak for utility-maximizing economic man would be the first to coerce their fellows in wartime. Those who value freedom will forego coercion and use other means to overcome free-riding. Given the costs associated with state-monopoly "defense"—those dead millions for a start—a little free-riding seems a small price.

One might think that having just defeated the strongest power in the world, Americans would have rejected the Federalist song-and-dance about foreign threats and looming internecine war and the consequent need for a more powerful state. They *got* the stronger state, which then got them periodic wars—proving, doubtlessly, that the new state had *saved them from other unknown perils* beyond contemplation and enumeration—and elephants do roam the railway lines. It may be that the Federalists craved American empire rather than security—and that the Anti-Federalists, therefore, had the better half of the argument.

A final comment: Some years ago, Samuel H. Beer attempted to prove the Wilson-Story-Lincoln theory that the American union was "older" than the states comprising it. He spied in the Continental Congress the germ of a new "sovereign" power *over* the states. The slightest look at the Congress's trials and tribulations puts that theory to rest. But as a center for exhortation, coordination, and the like, the Congress did useful work overcoming the free-rider problem during America's protracted war.[44]

[44]Samuel H. Beer, *To Make a Union* (Cambridge, Mass.: Belknap Press, 1993), but see Edmund Cody Burnett, *The Continental Congress* (New York: W.W. Norton, [1941] 1964) for a realistic view of the role of the Congress.

7
Privateering and National Defense: Naval Warfare for Private Profit

Larry J. Sechrest

Hans-Hermann Hoppe has argued that "the idea of collective security is a myth that provides no justification for the modern state" and "all security is and must be private."[1] Furthermore, Hoppe makes it abundantly clear that when referring to security, he means protection against not only the small-scale depredations of the common criminal but also the massive aggressions perpetrated by nation-states. The claim that all legitimate defense functions can and must be privately supplied flies in the face of certain economic doctrines that are almost universally accepted. Almost all economists declare that there are some goods or services that will be provided in suboptimal quantities—or not provided at all—by private, profit-seeking firms. These "public goods" allegedly bring benefits to all in the society, whether or not any given individual bears his or her fair share of their cost. This "free riding" by some persons diminishes the profit incentive motivating private suppliers. Therefore, to make sure that such highly valued goods are provided, the government serves as the principal, or often the only, supplier, and taxes all the citizens in order to finance the production and distribution of the good.

[1]Hans-Hermann Hoppe, "The Private Production of Defense," *Journal of Libertarian Studies* 14, no. 1 (Winter 1999): 27.

There has been spirited debate at times about which exact goods or services should be included in the category of public goods. At least one, however, is almost invariably included: national defense. Even some otherwise quite radical thinkers have found it at least plausible that national defense cannot be effectively supplied by the private sector.

One might take David D. Friedman as a notable example. Friedman, despite thinking that "it may be possible to defend against foreign nations by voluntary means," nevertheless grants that tax-financed, government defense forces could prove to be the only way to confront foreign aggression.[2] In fact, at one point, he explicitly describes national defense as a public good.[3]

The purpose here is to challenge just that sort of statement. The attack on national defense as a public good that must be provided by the state will be two-pronged. The first part, the briefer of the two, will raise theoretical questions about public goods in general and national defense in particular. The second part will be devoted to a detailed survey of privateering, a form of naval warfare conducted by privately owned ships which lasted from the twelfth century to the nineteenth century. What privateers were, how they operated, the legal customs that grew up around them, how effective they were, how profitable they were, and why they disappeared will all be addressed. The common employment of privateers during wartime will be offered as empirical evidence that defense need not be monopolized by the state.

[2]David D. Friedman, *The Machinery of Freedom: Guide to Radical Capitalism*, 2nd ed. (La Salle, Ill.: Open Court, 1989), p. 143. It should be noted that even though Friedman takes the concept of public goods to be a valid and useful one, he applies the concept in unusual ways. For example, "[u]nder a government, good law is a public good. That is why it is not produced" (ibid., p. 156).

[3]Ibid., p. 156.

Some Theoretical Problems

Public goods are commonly thought to be economic goods with peculiar "collective" characteristics.[4] If supplied at all, they will be supplied to and provide benefits for anyone and everyone—the phenomena of "joint production" and "external economies." But what if, when governmentally supplied, they are not even economic goods? If not, then much of the conventional analysis of public goods is misguided and inappropriate.

More than a century ago, Carl Menger argued that four conditions must *all* be met in order for any given thing to be a good: (1) there must exist some unfulfilled human need, (2) the thing must possess properties which are causally related to the satisfaction of the need, (3) the economic actor must have knowledge of that causal relation, and (4) the actor must have sufficient command of the thing that he can actually employ it in satisfying the need.[5] If any one of these conditions is no longer met, then the thing involved ceases to be a good. "Imaginary goods" are those where no causal relation to human needs actually exists, although some nevertheless believe that it does; "charms, divining rods, love potions" are examples.[6] According to Menger, goods become *economic* goods when their "available quantities are smaller than the requirements of men";[7] that is, in modern terms, when they cease to be superabundant or "free" goods.

[4]For influential treatments of public goods issues, see Paul A. Samuelson, "The Pure Theory of Public Expenditure," *Review of Economics and Statistics* 36 (November 1954): 387–89; and Francis M. Bator, "The Anatomy of Market Failure," *Quarterly Journal of Economics* 72 (August 1958): 351–79.

[5]Carl Menger, *Principles of Economics*, James Dingwall and Bert F. Hoselitz, trans. (New York: New York University Press, [1871] 1976), p. 52.

[6]Ibid., p. 53.

[7]Ibid., p. 97.

Consider armed forces controlled by the state. First, is it plausible to claim that individual citizens have command of such supposedly defensive forces in a way that satisfies—-or even attempts to satisfy—those citizens' individual preferences regarding protection? No. Even in a democratic state with universal suffrage, it is clear that military and naval decisions are usually made by a handful of men, often in secret, with little thought of the wishes of the average citizen. In fact, sometimes those armed forces have been used against the very citizens who are taxed to pay for them.[8] Second, is it true that national defense is a collective good because it is some monolithic whole which must be supplied in toto or not at all? No. It "consists of specific resources committed in certain definite and concrete ways. . . . A ring of defense bases around New York, for example, cuts down the amount possibly available around San Francisco."[9] The only things that are truly "collective" are those which are superabundant, such as air, and therefore are not economic goods at all.[10]

Some might respond to the last point by claiming that, despite the obviously finite magnitude of both the human and nonhuman resources used by government forces, national defense nevertheless does represent equal protection for all in the sense that there is a perpetual commitment to resist aggression against any part of the nation. But that is false, and the American Civil War is clear evidence of this error in reasoning. Union forces would have done nothing to protect the Confederate states if, say, the government of France had attacked them. Instead, the French would have been viewed as allies in the subjugation of the Southern "traitors." Intervention from abroad would only have been resisted by the North if it

[8]For just one notorious example, recall the internment of Japanese-Americans by the federal government during World War II.

[9]Murray N. Rothbard, *Man, Economy, and State: A Treatise on Economic Principles* (Los Angeles: Nash Publishing, [1962] 1970), p. 885.

[10]Ibid.

was accompanied by a demand that the Southern states, once defeated, would become a possession of that foreign power. And one cannot escape by claiming that the Confederacy was viewed as a separate nation and therefore was not owed protection. The North consistently maintained that the Confederacy was an unlawful entity along the lines of a criminal gang, not a sovereign nation.[11] In short, governmental protection against aggression is never guaranteed, but instead may change with political conditions. In no sense, then, does national defense necessarily imply equal protection for all areas and all persons. True defense, though its effects may be widespread, is microeconomic in nature.

This is essentially the position Hoppe has taken recently. He rejects the "Hobbesian myth" of collective security provided by a sovereign state and argues, instead, that true protection against aggression can be effectively provided only by private insurers and their agents. The proper boundaries of different security-risk zones are the boundaries of private property ownership, because aggression is motivated by the desire to control that which has value: persons and their property.[12] Thus, the provision of security must not be homogenized into one product for all, but differentiated and tailored to the specific needs of specific property owners. Moreover, the incentives of private defensive agencies will be to offer ever better services at ever

[11]This attitude was manifested during the Civil War in many ways. One of the more striking was the condemnation of the commissioned, commerce-raiding warships of the Confederacy as "pirates." See Chester G. Hearn, *Gray Raiders of the Sea: How Eight Confederate Warships Destroyed the Union's High Seas Commerce* (Camden, Maine: International Marine Publishing, 1992), p. xiv. Jeffrey Rogers Hummel states that the "Lincoln Administration's official position was that the Confederacy did not legally exist." See Jeffrey Rogers Hummel, *Emancipating Slaves, Enslaving Free Men: A History of the American Civil War* (Chicago: Open Court, 1996), p. 168.

[12]Hoppe, "Private Production of Defense," pp. 40–41.

lower prices. In contrast, "[u]nder monopolistic auspices the price of justice and protection must rise and its quality must fall. A tax-funded protection agency is a contradiction in terms and will lead to ever more taxes and less protection."[13]

Or, to use Menger's terminology, which Hoppe does not do, governmental defense agencies actually supply "imaginary goods." It is widely believed that, to be effective, defense must be a function of the state. However, there is no clear *causal relationship* between the state's appropriation of this function and true protection. Modern states may claim to protect their citizens from aggression, but they do less and less as time goes on. Even worse, by means of oppressive laws and regulations, states systematically expropriate property and deprive their own citizens of "the very foundation of all protection: economic independence, financial strength, and personal wealth."[14] Much of what is done in the name of "public safety" is, in reality, endangering and impoverishing the public.

For many years, lighthouses were cited right along with national defense as an allegedly clear-cut example of a public good that required the involvement of government. Then Ronald H. Coase[15] took the time to investigate the actual history of lighthouse operation in that nation where maritime issues have probably played a greater role than in any other: Great Britain. He found that the building and operating of lighthouses by private firms was quite common. By 1820, for example, 34 of the 46 lighthouses then in operation had been built by private individuals.[16] Owners of these structures gained their revenue from fees paid by shipowners, the beneficiaries of the service. Nevertheless, by 1842, Parliament had eliminated all private ownership of lighthouses. Was this because

[13]Ibid., pp. 33–34.

[14]Ibid., p. 31.

[15]Ronald H. Coase, "The Lighthouse in Economics," *Journal of Law and Economics* 17 (October 1974): 357–76.

[16]Ibid., p. 365.

private lighthouses were badly run? No. This change was effected due to lobbying from the shipowners, who hoped that the fees they paid would be reduced or eliminated if the government ran the lighthouses.[17] Coase concludes that "economists should not use the lighthouse as an example of a service which could only be provided by the government."[18]

If the lighthouse is not, in fact, a public good, might the same be true of national defense? Theoretical reasons for thinking so have already been provided. The remainder of this effort will, in emulation of Coase, explore the historical evidence on privateering, a form of maritime national defense provided by profit-seeking private firms.

Basics of Privateering

The history of privateers goes back to the early Middle Ages. Originally, it was a method by which a citizen of one nation who had been victimized by a citizen of another nation could achieve restitution for his losses.[19] With a permit issued by his government, the offended party could arm one of his ships and go searching for merchant ships flying the flag of the perpetrator's nation. If he encountered such a vessel and was able to subdue her, he could then sell the ship and its cargo at auction and pocket the proceeds. The first permit of this kind, which was known as a "letter of marque and reprisal" throughout the several centuries of privateering activity, was issued in Tuscany in the twelfth century. By the end of the fourteenth century, they were common throughout the Mediterranean. The use of letters of marque and reprisal in England dates from the year

[17]The British shipowners were disappointed in their expectation. The fees did not decline.

[18]Coase, "Lighthouse in Economics," p. 376.

[19]Donald A. Petrie, *The Prize Game: Lawful Looting on the High Seas in the Days of Fighting Sail* (Annapolis, Md.: Naval Institute Press, 1999), pp. 2–3.

1243.[20] Although begun as a system for effecting private restitution on the high seas, and thus employed whether or not a state of war existed between the two nations, privateering evolved into an instrument of war. By the nineteenth century, letters of marque "were issued *only* in time of war to supplement the public vessels of the respective navies."[21]

Many naval historians have downplayed the role of privateers in favor of the deeds of public navies.[22] Nevertheless, one should certainly not infer that privateers played only a trivial role during wartime. For example, Elizabethan England was "almost totally dependent upon the private initiative and individual enterprise of its privateering establishment."[23] Indeed, the sheer magnitude of such activity was remarkable. The American colonies of Britain commissioned 113 privateers during King George's War of 1744–1748, and 400 to 500 during the Seven Years' War of 1756–1763.[24] During the American Revolution, both sides freely employed privateers. Despite having a large public navy, the British commissioned at least 700 such vessels, 94 from Liverpool alone,[25] while the American secessionists[26] sent about 800 to sea in search of prizes.[27]

[20]Jerome R. Garitee, *The Republic's Private Navy: The American Privateering Business as Practiced by Baltimore During the War of 1812* (Middletown, Conn.: Wesleyan University Press, 1977), pp. 3–4.

[21]Petrie, *Prize Game*, p. 3; emphasis in original.

[22]Alfred T. Mahan, *The Influence of Sea Power Upon History, 1660–1783* (London: Methuen, [1890] 1965), p. 132.

[23]Garitee, *Republic's Private Navy*, p. 5.

[24]Ibid., pp. 7–8.

[25]Gomer Williams, *History of the Liverpool Privateers and Letters of Marque* (New York: Augustus M. Kelley, [1897] 1966), pp. 257, 667–69.

[26]The term "secessionists" is, admittedly, not often used to describe the American colonists, but that surely is exactly what they were.

[27]Reuben E. Stivers, *Privateers and Volunteers: The Men and Women of Our Reserve Naval Forces, 1766 to 1866* (Annapolis, Md.: Naval Institute Press, 1975), p. 29.

The War of 1812 saw 526 American vessels commissioned as privateers, although only about half that number actually went to sea.[28] Between July 1812 and January 1815, even the small maritime communities in the Canadian provinces of New Brunswick and Nova Scotia contributed 47 privateers to the war effort, but on the side of the British, of course.[29]

Thomas Jefferson articulated the importance of privateers quite well when, in 1812, he declared that,

> every possible encouragement should be given to privateering in time of war with a commercial nation. . . . Our national ships are too few in number . . . to retaliate the acts of the enemy by licensing private armed vessels, the whole naval force of the nation is truly brought to bear on the foe.[30]

Historian Faye M. Kert offers the judgment that "without the presence of the American privateers in the Revolutionary War and the War of 1812, the United States would never have been able to hold off the British Navy."[31] It will surprise those who are enamored of the state monopoly of defense, but during the period of western European history from 1600 to 1815, privateers "probably contributed much more than warships to the actual harm done the enemy."[32]

In discussions of this topic, one will encounter two terms that can be a source of confusion: "privateer" and "letter of

[28]Faye M. Kert, *Prize and Prejudice: Privateering and Naval Prize in Atlantic Canada in the War of 1812* (St. John's, Newfoundland: International Maritime Economic History Association, 1997), pp. 78, 89.

[29]Ibid., p. 78.

[30]Williams, *History of the Liverpool Privateers and Letters of Marque*, p. 459.

[31]Kert, *Prize and Prejudice*, p. 81.

[32]Gary M. Anderson and Adam Gifford, Jr., "Privateering and the Private Production of Naval Power," *Cato Journal* 11, no. 1 (Spring/Summer 1991): 101.

marque." In the maritime community, these came to mean ships with somewhat different functions.[33] A privateer was a ship whose primary—and often sole—function was to seek out and capture vessels of the enemy nation. A letter of marque was a ship the primary function of which was the transportation of cargoes, but which was sufficiently well armed to capture foreign vessels if conditions permitted. Both were authorized to act as they did by the letter of marque and reprisal they had been issued, but privateers were usually smaller, more heavily armed, faster, and more maneuverable than letters of marque, and were manned by larger crews.[34] The possible

[33]Petrie, *Prize Game*, pp. 4–5.

[34]During the centuries of private commerce raiding, the overwhelming majority of the privateers of most nations were rigged either as schooners or brigs and ranged in size (measured in terms of carrying capacity, or "burthen") from 150 to 400 tons. For comparison, by the 1850s, oceangoing, full-rigged merchant ships ranged from 600 to 2,000 tons, and occasionally more. Most schooners and all brigs had two masts, but the former were "fore-and-aft rigged," while the latter were "square-rigged." That is, the principal sails of schooners were set *parallel* to the vessel's longitudinal axis. The principal sails of brigs were set *perpendicular* to the vessel's longitudinal axis. Both schooners and brigs were usually much better in light or unfavorable winds than large "ship-rigged" vessels (square-rigged, with three masts instead of two). For further details, see David R. MacGregor, *Fast Sailing Ships: Their Design and Construction, 1775–1875* (Lausanne, Switzerland: Edita Lausanne, 1973); Howard I. Chapelle, *The History of the American Sailing Navy: The Ships and Their Development* (New York: W.W. Norton, 1949); Thomas C. Gillmer, *Pride of Baltimore: The Story of the Baltimore Clippers, 1800–1990* (Camden, Maine; International Marine, 1992); Kert, *Prize and Prejudice*, p. 89; and Garitee, *Republic's Private Navy*, p. 113. The one clear exception to the above generalizations was France during the reign of Louis XIV. During that period, French privateers (called "corsairs" by the French) were often large, ship-rigged vessels comparable in power to English frigates of the time and which, therefore, occasionally participated in naval battles alongside the ships of the French Royal Navy. See Lord Russell of Liverpool, *The French Corsairs* (London: Robert Hale, 1970), p. 81.

confusion, of course, lies in the fact that, depending on the context, letter of marque can mean either the document permitting this general sort of activity or a ship whose owner intends for her to engage in only limited commerce raiding. For rather obvious reasons, the primary concern will be with privateers.

Financing and Manning a Privateer

It should be recognized that both profit and patriotism usually motivated the actions of those who invested in, or served as part of the crew of, a privateer.[35] Evidence of the patriotism can be found in the facts that some privateers fought instead of running away (their usual tactic) when they were cornered by an enemy warship, and some destroyed enemy shipping even when no profits were to be gained.[36] Nevertheless, it was clear that as normal commercial activity diminished during wartime, the incentive for merchants and shipowners to maintain some degree of prosperity via privateering did increase.[37] For example, as a result of the British Navy's blockade during the War of 1812, imports into the United States fell from a prewar total of $139 million in 1807 to $77 million in 1812 and $14 million in 1814.[38] By the fall of 1813, marine insurance rates became prohibitively expensive, reaching 50 percent of the total value of a ship plus her cargo.[39]

[35]Garitee, *Republic's Private Navy*, pp. 47–64.

[36]Ibid., p. 57. For instance, in the winter of 1812–13, while off the coast of Brazil, the American privateer schooner *Comet* encountered a large Portuguese warship that was escorting three armed English merchant ships. *Comet* shot it out with the warship, driving her away. This American privateer then managed to capture all three merchant ships. Ibid., pp. 150–51.

[37]In other words, privateering provided a mechanism by which private and "social" interests could readily coincide.

[38]Garitee, *Republic's Private Navy*, p. 55.

[39]Ibid., p. 116.

This stagnation of commerce served to intensify greatly the building and outfitting of privateers in ports like Baltimore, New York, and Boston, because such vessels were undeterred by the blockade. One contemporary observer said that privateers "go where they please; they chase and come up with everything they see, and run away at pleasure."[40] And the inverse relationship between ordinary commercial activity and the provision of privateers was not uniquely American. During the earlier American Revolution, the British House of Lords publicized the fact that, as of February 1778, Britain had lost the alarming total of 559 commercial vessels to American raiders.[41] Liverpool was particularly hard hit, experiencing large declines in imports, shipping tonnage, the standard of living, and even population.[42] This, too, elicited a boost in privateering on the part of British entrepreneurs.

Whatever the motivation in any specific case, privateering required a significant investment. In Baltimore during the War of 1812, the total cost of building a schooner of about 200 tons—the most common rig and size for privateers—outfitting her, arming her, and providing a crew was at least $40,000 in 1813 prices.[43] In today's prices, that would be equivalent to $400,000 or more, if one uses official wholesale price indices. A different and probably more meaningful figure is the $1.5 million it took in 1988 to build the *Pride of Baltimore II*, an exact replica of this type of vessel.[44] For a British example, one might take the Liverpool privateer *Enterprise* of 1779, which was built, outfitted, manned, and operated for about a year at a

[40]Ibid., p. 117.

[41]Williams, *History of Liverpool Privateers and Letters of Marque*, p. 216.

[42]Ibid.

[43]Garitee, *Republic's Private Navy*, p. 125.

[44]Gillmer, *Pride of Baltimore: The Story of the Baltimore Clippers, 1800–1990.*

total cost of slightly more than 7,000 pounds-sterling, or about $35,000.[45]

Such sums usually required that there be a number of investors, with each one providing perhaps $1,000 to $4,000, depending on the size of the ship.[46] The investors functioned as partners (either general or limited), with ownership in the venture measured in shares. In Canada, it was customary to divide ownership into sixty-fourths so that the partners could readily diversify by investing relatively small monetary amounts in each of several vessels.[47] In the United States, there seemed to be no standard method of setting the number of ownership shares. One finds ownership divided into thirds, fourths, sixths, eighths, thirtieths, and fiftieths, among other possibilities.[48] The British *Enterprise* mentioned above had 10 owners with shares divided into sixteenths.[49] Although those with maritime business interests were the most common source of investors, ownership of privateers was actually quite varied in terms of occupation. Among the owners of one Baltimore vessel, one finds four sea captains, four merchants, three manufacturers, two bakers, three grocers, one ship-builder, one blacksmith, two paint-store proprietors, and one physician.[50]

It was not enough to build and outfit a vessel for privateering activity; one also had to post a bond in order to guarantee compliance with international laws of the sea. The intent was

[45]Williams, *History of the Liverpool Privateers and Letters of Marque*, pp. 661–64.

[46]Garitee, *Republic's Private Navy*, p. 37. To gauge the significance of such investments, one should compare them with the annual salary of the secretary of the Navy in 1812: $4,500. Ibid., p. 38.

[47]Kert, *Prize and Prejudice*, p. 82.

[48]Garitee, *Republic's Private Navy*, pp. 86–87,

[49]Williams, *History of the Liverpool Privateers and Letters of Marque*, p. 664.

[50]Garitee, *Republic's Private Navy*, pp. 33–34.

to make sure that privateers did not degenerate into pirates. Such "letter-of-marque" or "surety" bonds were usually in the amount of either $5,000 or $10,000 in the United States, depending on the size of the ship.[51] Canadian privateers faced bonds of either 1,500 or 3,000 pounds-sterling, depending on the size of the crew, or about $7,500–$15,000.[52]

The performance of the crew of a privateer, especially that of the captain and his lieutenant(s), was crucial to success. However, the owners of privateers rarely seem to have suffered from "shirking" on the part of the crew members they employed. The reason is straightforward. The sailors "received no pay when there were no prizes."[53] Much like the owners, the crews were "residual claimants" whose income rose or fell with the success or failure of the cruise, for their compensation was in terms of shares in the venture, not in terms of a wage rate. This was a thoroughly incentive-based system in which the officers and crew often received one-half of all the proceeds generated by the sale of captured ships and their cargoes, the other half being received by the owners. Moreover, there were numerous rewards for exemplary service. A crewman who was the first to sight a ship that was later taken as a prize, or who was the first to board a prize in the heat of battle, or who lost a limb in the course of his duties, received one or more extra shares.[54] On the other hand, any man who mutinied or deserted lost all his shares.

In short, privateering offered the chance of much higher incomes than sailors were accustomed to earning by serving on ordinary merchant ships. In the early nineteenth century, the typical monthly wage for a merchant seaman was about $30. In a detailed survey of nine different American privateers and their prize distributions, Garitee found the average value of one

[51]Ibid., p. 17.

[52]Kert, *Prize and Prejudice*, p. 92.

[53]Garitee, *Republic's Private Navy*, p. 127.

[54]Ibid., pp. 140–41.

share to be about $150. Since most crewmen earned from two to four shares, this meant that in the typical privateer cruise of three months, a man might earn the equivalent of 18 months' wages, and sometimes even more.[55] Moreover, the payments to privateers' crews were usually made soon after the return to port.[56] Indeed, maritime prize courts were always known for their "extraordinary dispatch," being "held close to the wharves for the convenience of mariners."[57]

In addition to the potential for large and rapidly distributed monetary earnings, the provision of food and drink on board privateers was usually plentiful, whereas it was merely adequate on public naval vessels.[58] Indeed, most owners seem to have been actively concerned with the welfare of their crews. The owners of one late-eighteenth-century British privateer instructed the commander of their vessel to

> take particular care that your crew be treated humanely, that every one be made to do their duty with Good Temper; as Harmony, a good look-out, and steady attention to the main point are all absolutely necessary to be attended to, the success of the Cruise greatly Depending upon it.[59]

It should be no surprise that serving on a privateer was often much more popular than naval service. "Compared to the relatively free and easy life of privateering, life aboard a naval vessel must have seemed grim and oppressive."[60]

[55]Ibid., pp. 193–94.

[56]Ibid., p. 195.

[57]Petrie, *Prize Game*, p. 159.

[58]Garitee, *Republic's Private Navy*, p. 123. This difference was in part due to a privateer's ability to add to her stock of provisions from those found on board the ships she captured.

[59]Williams, *History of the Liverpool Privateers and Letters of Marque*, p. 24.

[60]Kert, *Prize and Prejudice*, p. 121.

Desperate during wartime, the British Royal Navy, like other navies around the world, often resorted to actual abduction in order to man its ships. This notorious practice of "impressment," when applied to American seamen, was a catalyst for the War of 1812.[61] In contrast, the captains of private armed vessels either advertised for seamen themselves or used recruiting agents to supply them with crews. These recruiting agents, who were often the owners of grog shops or boarding houses near the waterfront, provided the seamen with personal loans, food, clothing, and lodging.[62] Payment for such goods and services was commonly achieved by the sailor by assigning part of his "prize tickets" to the agent. A prize ticket was a document identifying the crew member, his ship, and how many shares he was due to receive upon completion of the privateer's cruise.[63] Thus, one can see that the sailors' purchases from the agents were effected by what was, in essence, the transfer of equity shares. But to possess a prize ticket, a sailor first had to sign the ship's Articles of Agreement.

These Articles of Agreement constituted a fairly standardized labor contract between the crewmembers and the owners of the ship. Although the details varied a bit from case to case, certain basics were found in all such documents.[64] The articles declared the owners responsible for arming and equipping the vessel, stipulated how command would be transferred in the case of the captain's death, specified the tour of duty (usually three months for American privateers, often six months for

[61]Ibid., pp. 11–12.

[62]Garitee, *Republic's Private Navy*, p. 129.

[63]Ibid., pp. 141–42.

[64]In France, two-thirds of the cruise's proceeds went to the owners and one-third to the captain and crew. Furthermore, in France "[t]he percentages which each member of the crew received were laid down by the Minister of Marine" (Lord Russell, *French Corsairs*, p. 22). Also, the working conditions on French privateers ("corsairs") seem to have been much less pleasant than those on privateers from Britain, the United States, and Canada (ibid., pp. 66–67).

British), identified the beneficiary of each man (to whom his shares would go in the event of his death), and outlined the bases upon which a crewmember would be rewarded with extra shares.[65] "Before the privateer left port, the articles were read aloud, and each man signed or made his mark, legally binding himself for the cruise."[66]

After the privateer had been built, and while the owners were outfitting that vessel and recruiting a crew, they had to request authorization from their government in order to begin raiding the enemy's commercial vessels—unless, of course, they did not mind being branded as pirates. That authorizing document, known formally as a letter of marque and reprisal but often referred to as a privateer's commission, included some key information.[67] Typically, one would find statements of the tonnage and rig of the privateering vessel, her armament (cannon), the number of men in her crew, and the names and addresses of each of her owners.[68] Unfortunately, some of these items are missing from the surviving documents. "[S]uch data was often unavailable because the vessel's preparation was incomplete at the time of the application."[69]

It is correct to infer from this that the process of outfitting and commissioning was, in all countries, often undertaken with considerable haste. Garitee found, for example, that Baltimore privateers usually had to wait no more than a few days to receive their commissions.[70] Regarding the maritime provinces of Canada, Kert reports that within only weeks of the declaration of war in 1812, "shipyards bristled with new craft

[65]Garitee, *Republic's Private Navy*, p. 140; Kert, *Prize and Prejudice*, p. 92.

[66]Kert, *Prize and Prejudice*, p. 93.

[67]See Appendix to this chapter for the text of an actual document of this sort.

[68]Garitee, *Republic's Private Navy*, p. 89.

[69]Ibid., p. 90.

[70]Ibid., p. 91.

on the stocks," and many existing ships were quickly sent on cruises against the ships of the United States.[71] For their part, it took the Americans in the cities of Salem, Baltimore, and New York no more than four months to have operating privateer fleets of 40, 40, and 50 vessels, respectively.[72]

Laws and Customs of Prize-Taking

Although they have often been castigated for being little better than common pirates, the great majority of privateers, in fact, were characterized by "a decent, civilized greed. . . . Like sportsmen, privateers played by a code of rules."[73] Nevertheless, deception was an essential part of commerce raiding. Privateers usually carried several sets of false papers as well as a number of different national flags. When first sighting a potential victim and so as not to frighten her away, privateers would display the national flag of the sighted ship, or the flag of some ally of that nation. Despite this initial ruse, "they never fired a gun under false colors."[74] That is, privateer captains were careful never actually to engage in combat without flying the flag of their own nation. True pirates violated that principle with regularity.

Both the form and goal of combat for privateers were usually different from that found with public naval vessels.[75] The goal was *capture* rather than *destruction*.[76] Such an approach

[71]Kert, *Prize and Prejudice*, p. 78.

[72]Ibid., p. 88.

[73]Petrie, *Prize Game*, p. 69.

[74]Ibid.

[75]Garitee, *Republic's Private Navy*, pp. 119–20.

[76]This should not be taken to mean that naval vessels never took prizes, because they did. Although the primary role of public navies was to engage one another in battle, raiding of the enemy's merchant fleets was frequently undertaken. In fact, prize money for such captures was distributed among the officers and crews much like what was done with privateers (Kert, *Prize and Prejudice*, pp. 124–25). This

transferred ownership but left the property intact. It is almost certain that it also resulted in fewer deaths than did the naval approach. Instead of inflicting massive damage on the enemy ship's hull and rigging via heavy broadsides of cannon fire, the privateer sought to do only minor damage. She would then range alongside and send her large crew to take possession after subduing the prize's much smaller crew in hand-to-hand combat, if indeed the prize's crew resisted at all.[77] This helps to explain why, even though a few were as heavily armed as a naval frigate,[78] most privateers carried only a small number of cannon. Indeed, in the early nineteenth century, the privateers from New York and Boston often had only one, or none at all in some cases.[79] It also makes it clear why privateers carried such large crews. Twenty to 25 men would have been sufficient to handle the sails and man the few cannon, but it was not uncommon for privateers to have crews of 120 or even more.[80]

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proved, for example, to be an important factor in attracting young men into the British Navy. Just as happened with privateers' captains, only less frequently, the captain of a Navy ship who took a rich prize could become wealthy overnight. In 1796, two British frigates captured four Spanish vessels that were laden with treasure from South America. See James Henderson, *The Frigates: An Account of the Lighter Warships of the Napoleonic Wars, 1793–1815* (London: Leo Cooper, [1970] 1994), pp. 105–06. Each of the two captains received 40,730 pounds-sterling, or 271 times his annual salary!

[77]In maritime terminology, this process was succinctly known as "boarding the enemy." This was, of course, a tactic also employed by naval vessels on many occasions. However, for most naval vessels, boarding was secondary to the use of artillery.

[78]In the days of sail, a naval frigate carried from 24 to 60 cannons and was more powerful than any class of naval vessel except the ship-of-the-line. Frigates were the equivalent of the modern cruiser, in other words. See Henderson, *Frigates,* pp. 123–24, 170; and Chapelle, *History of the American Sailing Navy*, pp. 39–40.

[79]Garitee, *Republic's Public Navy*, p. 121.

[80]Ibid., p. 91.

After a privateer or a letter of marque had taken possession of an enemy ship, the next order of business was to put a "prize crew" aboard and sail that ship either to some port of the privateer's home country or, if that was impossible, to some port of a friendly nation that was at war with the same enemy. For an example of the latter, during the War of 1812, some American privateers took their prizes to Norway.[81]

This need for prize crews constituted yet another reason for the large crews typically carried by privateers. If one of these private armed vessels was particularly successful, her original complement of men could be depleted very quickly. Fortunately, there was a customary way of minimizing that depletion of manpower: the process of "ransom."

A ransom was a binding contract between the owners of a captured ship and the privateer, and, by the late eighteenth century, it was widely recognized as a legitimate alternative to the destruction or condemnation of the prize.[82] In other words, instead of being sunk or confiscated by the privateer, the captured vessel could sometimes buy its freedom, at the discretion of its captor. If the prize appeared to be of relatively little market value, if the privateer could not spare a prize crew, or if the privateer had no space for additional prisoners, it was worthwhile for the privateer to accept ransom. This took the form of a promissory note or bill of exchange payable upon presentation to the prize's owners. American privateers of the War of 1812 seem commonly to have accepted ransoms of either $2,500 or $5,000.[83]

Once ransomed, a ship was immune from subsequent capture by other privateers during the time it took her to sail to the port and over the route stipulated in the ransom contract. The ship's captain also was required to sign a personal bond which promised payment just in case the owners defaulted. Such

[81]Petrie, *Prize Game*, pp. 101–02.

[82]Ibid., pp. 19–20.

[83]Garitee, *Republic's Private Navy*, pp. 272–73.

defaults were very rare, however. "A merchant ship owner who didn't pay his written obligations simply couldn't trade in foreign ports in the future or his vessels would be seized there by his creditors."[84]

For privateers, ransom served the very useful purposes of reducing the need to (a) send prize crews on every captured vessel and (b) maintain large numbers of prisoners on board. These two benefits served to extend the effective cruising ranges of such private armed vessels. During the Revolutionary War, American privateers were wreaking havoc on British shipping. In 1782, in order to reduce those privateers' effectiveness, the British government prohibited the practice of ransoming by any ship flying the British flag.[85] Despite this prohibition, ransom contracts accepted by British merchant ships could still be enforced in the maritime courts of other nations. And the practice, being in fact beneficial to both parties, did continue. For example, there were at least 30 known instances of ransom given by British ships during the War of 1812.[86]

If the privateer did not accept a ransom contract—and he usually did not—then whatever revenue was earned came from the liquidation of the captured ship and its cargo. This required formal adjudication in what was known as an "admiralty court" or "prize court,"[87] because prizes were technically the property of the state, from whose legal rights the claims of the captor were derived.[88] Prize cases were called "libels," and the legal seizure of the ship and its cargo was a "condemnation."[89] The decree of condemnation was of crucial importance to a privateer.

[84]Petrie, *Prize Game*, p. 23.

[85]Ibid., pp. 21–22.

[86]Ibid., p. 23.

[87]In the English-speaking world, the basis of prize law toward the end of privateering activity was the 1753 British document called the "Report of the Law Officers." See Petrie, *Prize Game*, pp. 7–8.

[88]Ibid., p. 41.

[89]Ibid., p. 9.

To obtain such a decree, there had to be sufficient evidence that the captured vessel was owned in a country with which one's nation was at war. If this could not be demonstrated, then it might be said that the privateer had committed an act of piracy. Two basic types of evidence were relied upon regarding this issue. The court could consider either documents found on board the captured vessel or personal testimony.[90] The relevant documents might include the vessel's clearance certificates (issued just prior to sailing by customhouse officials at the port from which she had departed), cargo manifests, or instructions to the captain from the owners. The principal testimony was that given by the officers and crew of the captured ship.

It should be noted that the ruling of the prize court was not automatic. The critical question concerned the nationality of the captured vessel, and this was often in doubt. During a war, many merchant ships carried fake documents for the express purpose of deceiving the enemy nation's naval vessels and privateers. The judges in prize courts tried mightily to sort out the evidence and render a fair decision.[91] Although each decision was made based on the specifics at hand, certain broad principles were followed. If it was found that the captured ship "was not a good prize, but that the captor had probable cause for suspicion, the captive was immediately released, and the parties went their separate ways."[92] If, however, it was found that "the captor's suspicions were unwarranted, the captive was entitled to immediate release, and to a judgment for damages against the captor."[93]

Once the ship was declared a "lawful prize," the court issued the decree of condemnation, and she and her cargo would be sold at auction. However, the gross proceeds from that sale were not received by the privateer. Three deductions first had

[90]Garitee, *Republic's Private Navy*, pp. 174–75.

[91]Petrie, *Prize Game*, p. 160.

[92]Ibid.

[93]Ibid.

to be made. Small percentages went to the auctioneer, the marshal, and the clerk of the court as payment for their services.[94] A further, much larger, deduction was also necessary. Since the goods that made up the prize's cargo now represented "imports," customs duties were imposed. Although the magnitude of these duties varied with the nature of the goods, Garitee estimates that during the War of 1812, such taxes usually reduced the revenue accruing to American privateers by 30 to 40 percent.[95] The owners of privateers protested so angrily against these high duties that, in August of 1813, Congress reduced the taxes on "imported" prize goods by one-third.[96]

British and American prize courts operated in very similar ways, even after the American Revolutionary War.[97] And yet, during the earlier period of letter-of-marque activity, British privateers—including, of course, those outfitted in Britain's American colonies—were confronted with deductions from the gross prize proceeds that included not only court costs and import duties but also a share for the crown. This share varied from one-half to one-tenth.[98] Due to the growing economic importance and political influence of privateers, the crown's share was gradually reduced and, in 1708, was eliminated altogether. As a result, privateer profits increased by as much as 30 percent.[99]

Profitability

Right at the outset, one important point should be stressed. At least in principle, there should be a strong positive relationship between the profitability of privateering and its effectiveness as a facet of national defense. Successful harassment of

[94]Garitee, *Republic's Private Navy*, p. 176.

[95]Ibid., p. 183.

[96]Ibid., p. 184.

[97]Kert, *Prize and Prejudice*, p. 52.

[98]Ibid., p. 47 n.

[99]Ibid., pp. 47–48.

the enemy meant that many prizes were being taken, and a large number of prizes meant high revenues. But, then, high revenues do not necessarily translate into high profits.

If one reflects on the considerable *uncertainty* involving privateers (they might return to port without capturing a single prize, or worse, they might themselves be captured or sunk by the enemy or wrecked in a storm) and the significant *costs* they faced (the initial investment, surety bonds, court fees,[100] import duties, and so forth), one has to wonder whether they were generally profitable or not. One must keep in mind, for example, that 28 percent of all American and 21 percent of all Canadian privateers were either wrecked, destroyed, or captured during the War of 1812.[101] "The profitability of privateering is a nettlesome issue, but several scholars have determined that private armed warships did earn profits."[102]

During the mid-eighteenth century, for instance, privateers from the American colonies appear to have enjoyed annual rates of return of 130 to 140 percent.[103] In his very detailed study of the privateering business during the War of 1812, Garitee found that 122 Baltimore vessels were either privateers or letter of marque traders. Of those, 48 undertook at least one privateering cruise. Twenty-eight, or 58 percent, of the latter group were judged to have been financially successful, experiencing by "conservative" estimate an average profit rate of 200 percent.[104] The average prize proceeds were $116,712 per privateer.

[100]See ibid., p. 66, for examples of court costs as a percentage of the value of a prize.

[101]Kert, *Prize and Prejudice*, p. 90.

[102]Ibid., p. 104.

[103]Carl E. Swanson, *Predators and Prizes: American Privateering and Imperial Warfare, 1739–1748* (Columbia: University of South Carolina Press, 1991), p. 218; and James G. Lydon, *Pirates, Privateers, and Profits* (Upper Saddle River, N.J.: Gregg Press, 1970), p. 253.

[104]Garitee, *Republic's Private Navy*, pp. 197–98. Details on those 28 privateers' earnings are also provided by Garitee. Ibid., pp. 271–74.

Assuming that each vessel cost $40,000 ready for sea, as was cited earlier, then average ROE (return on equity) was 192 percent for the six months it would take to build a vessel, outfit her, and send her on a three-month cruise. Alternatively, one might think in terms of the average payment to the owners per captured prize. For American privateers, this was about $13,500.[105] Therefore, any private armed ship that captured at least four prizes was likely to achieve positive profits.

By that measure, some of the more successful ones must have been fabulously profitable. In her four cruises, the Canadian *Liverpool Packet* captured 50 American ships.[106] Purchased at auction in 1811 for 420 pounds-sterling, *Liverpool Packet* probably brought her owners over 10,000 pounds-sterling in prize money.[107] Working independently during the War of 1812, *Chasseur* and *True-Blooded Yankee,* two American ships, captured or destroyed 18 British ships in three months and 34 in a mere 37 days, respectively.[108] The most successful privateer sailing out of Salem, Massachusetts, was the large, ship-rigged *America*, which carried 24 guns and had a crew of 150 men. She captured 26 British ships, which sold for more than $1 million.[109] It is certainly true that some privateers returned to port without having taken a single prize, but the average number of prizes taken in the War of 1812 by the private armed ships of Canada and the United States appears to have been at least six each.[110]

Certain European privateers also seem to have done extraordinarily well. In 1756, the British *Anson* captured 16 French vessels, and it was said of her that she brought her owners a

[105]Ibid., pp. 197–98.

[106]Kert, *Prize and Prejudice,* p. 211.

[107]Ibid., pp. 83, 166–91.

[108]Garitee, *Republic's Private Navy*, pp. xi, xii.

[109]Samuel E. Morison, *The Maritime History of Massachusetts, 1783–1860* (Boston: Houghton Mifflin, 1921), p. 202.

[110]Kert, *Prize and Prejudice,* p. 90.

return of 5,000 percent.[111] During the Napoleonic Wars, the French corsair *Emilie* took four rich British prizes that netted the equivalent of $700,000.[112] Indeed, French privateering was considered so respectable, and was usually so profitable, that the Catholic bishops of St. Malo and Nantes were known to be investors in such enterprises.[113]

Instead of focusing on the returns to specific cruises—returns to "projects" in modern terms—one might prefer to focus on the investors. Here it is important to distinguish between those who provided funds repeatedly and those who owned shares in no more than two or three privateers. The former had diversified their assets fairly well, while the latter had not. Of the 50 "active" Baltimore investors during the War of 1812, fully 80 percent profited from their involvement with privateering.[114] One of the most successful was Arnold Karthaus, who owned large shares of several ships. By the end of the war, "his total personal share of his vessels' prize proceeds was over $200,000."[115] There were, however, about 200 different people in Baltimore who invested in privateering on at least one occasion. Of this aggregate, 45 percent profited, 34 percent experienced losses, and the extant records for the remaining 21 percent are ambiguous.[116]

One might be tempted to think that financial losses were the automatic result of a privateer being captured, destroyed, or wrecked. And it is true that, in the case of Baltimore, 55 of the 122 vessels that held letters of marque and reprisal were lost during the War of 1812. However, "many had paid for themselves

[111]Williams, *History of the Liverpool Privateers and Letters of Marque*, pp. 88–90.

[112]Lord Russell, *French Corsairs*, pp. 150–51.

[113]Ibid., p. 23.

[114]Garitee, *Republic's Private Navy*, p. 208.

[115]Ibid., p. 206.

[116]Ibid., p. 208.

several times before they were lost, so a vessel's loss did not necessarily mean a financial loss on the owner's books."[117]

From the foregoing, it seems clear that privateering was usually profitable, sometimes dazzlingly so. In other words, whenever a state of war existed, entrepreneurs had ample motive to supply private armed ships. However, the strategic issue is damage to the enemy. Were privateers *effective*? Did they contribute significantly to the war effort?

Effectiveness

On this issue, one will find both summary judgments of their impact (a few of which were noted earlier) and data about the magnitude of their effects.

One could begin with the Canadian privateers of the War of 1812. Forty-seven held letters of marque and reprisal, but 10 of those captured no prizes at all. The remaining 37 were credited in prize courts with the proceeds from 228 American ships.[118] However, since ships taken as prizes were often either lost at sea or intercepted by the privateers or naval vessels of the enemy before they reached port, it is likely that the total of American merchant ships taken by these Canadian privateers was close to 600.[119] It should come as no surprise then, that from an American perspective, "the privateers of New Brunswick and Nova Scotia provided a major incentive for peace."[120] By far the most renowned of these was the *Liverpool Packet*, which hailed from Liverpool, Nova Scotia. She became so feared that just the rumor of her presence along the northeast coast of the United States was enough to drive commercial vessels back into their home ports. It was for this reason that, late in 1812, "the American House of Representatives debated

[117]Ibid., p. 211.

[118]Kert, *Prize and Prejudice*, p. 90.

[119]Ibid., p. 80.

[120]Ibid., p. 78.

the possibility of cutting a canal through Cape Cod as a less costly alternative to losses through commerce raiding."[121]

The impact of private armed ships on European affairs seems to have been no less significant. French privateers from the ports of St. Malo, Nantes, Le Havre, Cherbourg, Calais, and Dunkirk had been active since the thirteenth century.[122] Furthermore, they consistently inflicted large losses on France's enemies. In the conflict with Holland and Spain (1672–79), privateers "captured not less than 1,300 Spanish and Dutch ships."[123] In the course of that war, one of the more renowned of French privateer captains, Jean Bart, alone took prizes that "amounted to a total of eighty-one, of which fourteen were men-of-war or well-armed merchantmen."[124] A decade later, the War of the League of Augsburg (1689–97) broke out. The principal privateering city, St. Malo, sent out 40 or 50 raiders each year of the war, and these vessels captured "no less than 3,384 English and Dutch merchant ships and 162 escorting men-of-war."[125] The War of the Spanish Succession (1701–13) saw French privateers scouring the English Channel as well as roaming to Ireland, Portugal, and Rio de Janeiro in search of prizes. They captured or destroyed more than 1,000 ships belonging to the English or Dutch.[126] During the War of the Austrian Succession (1740–48), 765 English merchant ships fell victim to French privateers.[127]

The Seven Years' War offers an illustration of both the effectiveness of privateers and the ineffectiveness of public navies.

> In the year 1757, the activity of the French privateers was phenomenal. . . . They cruised so thick

[121]Ibid., p. 84.

[122]Lord Russell, *French Corsairs*, p. 9.

[123]Ibid., p. 20.

[124]Donald Macintyre, *Privateers* (London: Paul Elek, 1975), p. 69.

[125]Ibid., p. 83.

[126]Lord Russell, *French Corsairs*, pp. 31–32.

[127]Ibid., p. 33.

> round the island of Antigua that it was next to a miracle for an English vessel to get in there, except under convoy.[128]

And in just the first 14 months of the war, private French ships captured 637 British vessels.[129] Part of the reason for the amazing success of the French was the lack of effort by the British Navy. Many of the "commanders of the King's ships appear to have been shamefully lax in the unpleasant duty of convoying merchant vessels, and in pursuing the privateers of the enemy."[130]

Perhaps the apex of French privateering came during the first few years of the Napoleonic Wars, according to Lloyd's of London, between 1793 and 1797, the English lost "no less than 2,266 vessels, a large proportion of which were captured by the corsairs."[131] To grasp just how accustomed to success the French privateers were, one should note that 1781 was considered a "particularly lean" year. In that year, they captured "only" 305 English ships.[132]

Commerce raiding by private armed ships was practiced for centuries in Europe, but nowhere was privateering undertaken more enthusiastically and energetically than in the United States. And in no American war was privateering more important than during the War of 1812. The damage done to British shipping was, quite simply, enormous. One Baltimore newspaper of the time estimated that at least 1,750 British ships had been captured.[133] Modern research by a careful student of American privateering has put the estimate between 1,300 and 2,500.[134]

[128]Williams, *History of the Liverpool Privateers and Letters of Marque*, p. 114.

[129]Ibid., p. 115.

[130]Ibid., p. 116.

[131]Lord Russell, *French Corsairs*, p. 39.

[132]Ibid., p. 33.

[133]Garitee, *Republic's Private Navy*, p. 243.

[134]Ibid.

Another recent writer has said that the British merchant marine lost 2,500 ships, with the majority captured by privateers.[135] "Even a maritime establishment as large as Britain's in 1815 could not ignore such figures nor enjoy the prospect of greater losses at sea if the war were extended another year or more."[136]

Englishman Gomer Williams conveyed the impact and importance of privateering in the following terms:

> American privateers swept the Atlantic and even penetrated within a few leagues of the mouth of the Mersey. The merchants and shipowners of Liverpool, instead of fitting out private armed vessels with the energy that had characterized them in former days, put their trust in the Lords Commissioners of the Admiralty, and found, too late, that the king's cruisers, like the modern policeman, were too often absent from the spot where their services were most required. The depredations of the American privateers on the coasts of Ireland and Scotland at length produced so strong a sensation at Lloyd's that it was difficult to get policies underwritten, except at enormous rates of premiums.[137]

It is interesting to compare the aggregate record of the U.S. Navy during the War of 1812 with that of the American privateers. The public warships captured or destroyed 165 British merchant ships,[138] while the private armed vessels took from 1,300 to 2,500, as noted above. Furthermore, as larger and more heavily armed privateers were employed late in the war, their

[135]Petrie, *Prize Game*, p. 1.

[136]Garitee, *Republic's Private Navy*, p. 244

[137]Williams, *History of the Liverpool Privateers and Letters of Marque*, p. 433.

[138]William A. Fairburn, *Merchant Sail*, 6 vols. (Center Lovell, Maine: Fairburn Marine Educational Foundation, 1945–55), p. 821.

rate of success rose even higher. Over the last year and a half of the war, privateers took prizes at the rate of almost two per day.[139] Also, one should note that, in combat with the British navy, which was their primary function, the American Navy seized or destroyed 15 British warships. American privateers took an additional three British warships, even though such combat was something for which they were not usually intended.[140]

Data from the American Revolutionary War reveal a somewhat similar disparity between private and public armed ships. The ships of the Continental Navy tallied 196 British prizes, while the privateers are credited with at least 600.[141] Moreover, as the war progressed, the number of active privateers increased from 136 in 1776 to 449 in 1781 before declining to 323 in 1782. During the same years, the number of active public warships *decreased* from 31 to nine to seven, respectively.[142] It would seem, in other words, that the British navy did succeed in stifling the efforts of the public American Navy at the same time that it stimulated ever more intense efforts by those willing to invest in private armed ships.

One can, with some justice, respond to the above comparisons by pointing out that such aggregated figures may possibly disguise almost as much as they reveal. The ideal comparison might be one where the relative effectiveness of naval vessels and privateers could be tested under the same conditions. History rarely provides such controlled experiments, and the history of privateering is no different. Fortunately, however, this writer has found one notable example.

In the early nineteenth century, there was considerable trade between Russia and Great Britain. To maintain their huge

[139]Ibid.

[140]Petrie, *Prize Game*, p. 1.

[141]Edgar S. Maclay, *A History of American Privateers* (New York: D. Appleton, 1899), p. viii.

[142]Ibid.

navy, the British badly needed the timber, tar, turpentine, pitch, cordage, and other "naval stores" that Russia could supply. Both the U.S. Navy and American privateering entrepreneurs realized the strategic importance of this trade, and both tried to disrupt it. In the summer of 1813, three American vessels operated in the North Sea above the Arctic Circle, in search of merchant ships involved in this Russo-British trade. The Navy sent the frigate *President*, sistership of the famous *Constitution* and as powerful as anything the Americans possessed, of 1,576 tons, with 52 guns and 460 men.[143] Entrepreneurs sent the schooner *Scourge* of 248 tons, with 15 guns and 110 men, and the brig *Rattle Snake* of 297 tons, with 16 guns and 130 men.[144]

All three cruised the same waters at the same time, and with the same goal. The results were markedly different, however. The *President* burned "only a single brig carrying pitch and tar."[145] Combined, the *Scourge* and the *Rattle Snake* captured or destroyed at least 23 merchant ships, many of them being large, square-rigged, oceangoing vessels.[146]

Indeed, American privateers were so good at what they did that by the winter of 1813–14, they constituted "the nation's *only effective offensive maritime force*."[147] "Unlike the national navy, Baltimore's private navy had not been driven from the sea by the British."[148]

Conclusion

Privateering provided profitable opportunities to shipowners and merchants whose revenues from normal commercial activity were greatly diminished due to the state of war.

[143]Chapelle, *History of the American Sailing Navy*, pp. 132, 550.

[144]Petrie, *Prize Game*, pp. 83, 90.

[145]Ibid., p. 105.

[146]Ibid.

[147]Garitee, *Republic's Private Navy*, p. 61; emphasis added.

[148]Ibid., p. 162.

Privateering also provided an effective means of waging war, by disrupting the flow of essential goods to the enemy nation. Why, then, did privateering more or less come to an end in the middle of the nineteenth century? Was privateering an archaic practice that remained viable only as long as there were sail-driven, wooden ships carrying muzzle-loading cannon?

The answer to the latter question is no. The reason is twofold. First,

> technological advances played absolutely no immediate, direct role in the demise of privateering. . . . privateering essentially ended before the American Civil War. . . . The major changes in naval technology all occurred later.[149]

Second, commerce raiding has continued to be an important facet of naval warfare to the modern day. One might note, for example, that Germany employed surface raiders to great effect during both world wars.[150] It is also intriguing to consider that the German submarine tactics of those wars, which inflicted so much damage on Allied shipping, may have been explicitly patterned after the methods of eighteenth- and nineteenth-century privateers.[151] Of course, in those German cases, the raiders were public naval vessels for whom there was no profit incentive. Therefore, they destroyed the enemy's merchant ships and their cargoes instead of capturing them.

Privateering was not a worthless anachronism. It was a powerful method by which maritime nations could discourage aggressors without indulging in the massive public expenditures needed to maintain a large public navy. Indeed, it was, on

[149]Anderson and Gifford, "Privateering and the Private Production of Naval Power," p. 118.

[150]Richard Hough, *The Great War at Sea, 1914–1918* (Oxford, U.K.: Oxford University Press, 1983), pp. 87–98; Geoffrey Bennett, *Naval Battles of World War II* (New York: David McKay, 1975), pp. 6–12, 135–37.

[151]Garitee, *Republic's Private Navy*, p. xvi.

occasion, publicly acknowledged to be more effective than public navies. For example, during the Federalist Era, many American congressmen were openly skeptical of having a tax-supported national navy because they thought private armed ships to be a superior option.[152] The fact is that privateering disappeared precisely because it was so effective. Career naval officers feared and resented the competition it represented, and those few nations with large public navies wanted to make sure that smaller nations could not challenge their domination via the less costly alternative of private armed ships.[153] These were the primary motives behind the Declaration of Paris, signed by seven maritime nations in 1856,[154] which prohibited privateering by the signatories and greatly hastened its ultimate end.[155]

> [Privateering was] less wasteful than other forms of naval "combat" because it did not destroy, but merely reassigned ownership rights to, property. . . . The extinction of privateering was at least partly the result of rent seeking by established government bureaucracies. . . . Privateering was not a market that can be shown to have "failed"; rather it was one that was eliminated through political means.[156]

[152]Reuben E. Stivers, *Privateers and Volunteers: The Men and Women of Our Reserve Naval Forces, 1766–1866* (Annapolis, Md.: Naval Institute Press), p. 55

[153]Anderson and Gifford, "Privateering and the Private Production of Naval Power," pp. 118–19.

[154]Those nations were Great Britain, France, Prussia, Austria, Russia, Sardinia, and Turkey. Later in 1856, the declaration was ratified by Belgium, Denmark, the German Confederation, the Netherlands, Norway, Portugal, and Sweden.

[155]Anderson and Gifford, "Privateering and the Private Production of Naval Power," p. 119 n.

[156]Ibid., p. 120.

Historians, even those who specialize in legal or maritime issues, have paid rather little attention to privateering.[157] Economists have almost entirely ignored it, which is particularly unfortunate. This topic offers insights into how private firms can supply defensive services, and it deserves to be investigated further. However, one thing seems clear already. The long, successful history of privateering disproves the claim that national defense is a public good, if one takes that claim to mean that governments must monopolize the market for defense.[158]

Appendix

Verbatim text of an actual privateering commission (letter of marque and reprisal) issued by the government of the United States to the schooner *Patapsco* during the War of 1812.[159]

> JAMES MADISON, President of the United States of America.
>
> TO ALL WHO SHALL THESE PRESENTS, GREETING:
>
> BE IT KNOWN, That in pursuance of an Act of Congress passed on the *eighteenth* day of *June* one thousand eight hundred and twelve, I have commissioned, and by these presents do commission, the private armed *Schooner* called the *Patapsco* of the burthen of *159* tons, or thereabouts, owned by Andrew Clopper, Levi Hollingsworth, Amos A. Williams and Henry Fulford of the City of Baltimore mounting *6* carriage guns, and navigated by *40* men, hereby authorizing *James M. Mortimer*

[157]Kert, *Prize and Prejudice*, pp. 4–5.

[158]See Murray N. Rothbard, *Power and Market: Government and the Economy* (Kansas City: Sheed Andrews and McMeel, [1970] 1977) pp. 1–9, for additional discussion of the theoretical issues.

[159]Garitee, *Republic's Private Navy*, p. 96–97.

Captain, and *William Ross* Lieutenant of the said *schooner Patapsco* and the other officers and crew thereof to subdue, seize and take any armed or unarmed British vessel, public or private, which shall be found within the jurisdictional limits of the United States or elsewhere on the high seas, or within the waters of the British dominions, and such captured vessel, with her apparel, guns and appurtenances, and the goods and effects which shall be found on board the same, together with the British persons and others who shall be acting on board, to bring within some port of the United States; and also to retake any vessel, goods and effects of the people of the United States, which may have been captured by any British armed vessel, in order that proceedings may be had concerning such capture or recapture in due form of law, and as to right and justice shall appertain. The said *James M. Mortimer* is further authorized to detain, seize and take all vessels and effects, to whomsoever belonging, which shall be liable thereto according to the Law of Nations and the rights of the United States as a power at war, and to bring the same within some port of the United States in order that due proceedings may be had thereon. This commission to continue in force during the pleasure of the President of the United States for the time being.

Given under my hand and seal of the United States of America, at the city of Washington, the *17* day of *September* in the year of our Lord, one thousand eight hundred and 12 and of the Independence of the said states the *Thirty seven.*

By the President James Madison

[signature]

James Monroe Secretary of State

[signature]

8
The Will To Be Free: The Role of Ideology in National Defense

Jeffrey Rogers Hummel

The practical superiority of markets over governments has become readily apparent. Only the most dogmatic of State apologists continue to deny this obvious fact—at least with respect to the production of many goods and services. Free-market economists and libertarians go much further, of course. They affirm the market's superiority in nearly all realms. Yet only a handful of anarcho-capitalists, most notably Murray Rothbard, have dared claim that a free market could also do a better job at providing protection from foreign States.[1]

I would like to thank Michael Edelstein, Lynda Esko, Ross Levatter, Charles J. Myers, Dyanne Petersen, Jeff Singer, Tim Starr, James Stein, and Joseph Stromberg for their comments. Of course, I alone am responsible for any remaining errors.

[1]See particularly Murray N. Rothbard, *For a New Liberty: The Libertarian Manifesto*, rev. ed. (New York: Macmillan, 1978), pp. 263–94; and idem, "War, Peace and the State," in idem, *Egalitarianism as a Revolt against Human Nature: And Other Essays* (Washington, D.C.: Libertarian Review Press, 1974). My own contributions to the argument for denationalizing defense include Jeffrey Rogers Hummel, "National Goods Versus Public Goods: Defense, Disarmament, and Free Riders," *Review of Austrian Economics* 4 (1990): 88–122; "National Defense and the Public-Goods Problem" (with Don Lavoie), in *Arms, Politics, and the Economy: Historical and Contemporary Perspectives*, Robert Higgs, ed. (New York: Holmes and Meier, 1990); "A Practical Case for Denationalizing Defense," *Pragmatist* 3 (April 1986): 1, 8-–10, and (June 1986): 3–4; "On

National defense is generally considered the most essential of all government services.

This widely conceded exception to the efficacy of markets seems to have irrefutable empirical confirmation. If private defense is better than government defense, why has government kept winning over the centuries? Indeed, the State's military prowess has more than seemingly precluded the modern emergence of any anarcho-capitalist society. At one time, as far as we know, all humankind lived in Stateless bands of hunter-gatherers, and had done so since the emergence of modern man some 50,000 years ago. But beginning around 11,000 B.C., a gradual transition to plant cultivation and animal husbandry—in what is variously identified as the Neolithic, Food Production, or Agricultural Revolution—fostered a steady increase in population densities. These denser, settled populations became susceptible to what the distinguished historian William H. McNeill has aptly termed "microparasites" and

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Defense," *Free World Chronicle* 2 (January/February 1984): 1–23; and "Deterrence vs. Disarmament," *Caliber* 9 (October/November 1981): 8–10. Other advocates of private defense against foreign aggressors are Jarret B. Wollstein, *Society Without Coercion: A New Concept of Social Organization* (Silver Springs, Md.: Society for Individual Liberty, 1969), pp. 35–38; Morris and Linda Tannehill, *The Market for Liberty* (Lansing, Mich.: Tannehill, 1970), pp. 126–35; and Hans-Hermann Hoppe, "The Private Production of Defense," *Journal of Libertarian Studies* 14 (Summer 1998): 27–54. Although Ayn Rand believed that national defense was a proper government function, she held that it should be funded voluntarily: "Government Financing in a Free Society," in *The Virtue of Selfishness: A New Concept of Egoism* (New York: New American Library, 1964). One of her followers who agrees is Tibor R. Machan, "Dissolving the Problem of Public Goods," in idem, ed., *The Libertarian Reader* (Totowa, N.J.: Rowman and Littlefield, 1982). In contrast, David D. Friedman is an anarcho-capitalist who questions whether a Stateless society can provide effective national defense in *The Machinery of Freedom: Guide to a Radical Capitalism*, 2nd ed. (La Salle, Ill.: Open Court, 1989), pp. 135–43.

"macroparasites." Microparasites are the assorted diseases and other pests that have constantly plagued civilization until the development of modern medicine. And macroparasites are governments, which either arose through conquest or in reaction to the threat of conquest, until they now dominate every corner of the globe.[2]

Radical libertarians, such as Rothbard, explicitly acknowledge the historical triumph of governments over primitive Stateless societies when they embrace the conquest theory of the State's origins.[3] Yet this boxes them into an apparent paradox.

[2]The literature on what I prefer to call the Agricultural Revolution is immense, but the three works I have found most insightful are Douglass C. North, *Structure and Change in Economic History* (New York: W.W. Norton, 1981), pp. 71–112; William H. McNeill, *The Global Condition: Conquerors, Catastrophes, and Community* (Princeton, N.J.: Princeton University Press, 1992), pp. 67–100; and Jared Diamond, *Guns, Germs, and Steel: The Fates of Human Societies* (New York: W.W. Norton, 1997). Of the three, North has the best grasp of economics and yet ironically takes the most favorable view toward the State. I have followed Diamond in using calibrated radiocarbon dates, which puts the beginning of the Agricultural Revolution at 2,000 years earlier than the more conventional, uncalibrated radiocarbon dates. The date of 50,000 years ago for the emergence of modern man refers to the appearance of the Cro-Magnons in Europe. The origins of our species, *Homo sapiens*, can be pushed back much farther, to half a million years ago.

[3]The conquest theory of the State's origin was most notably expounded in Franz Oppenheimer, *The State* (New York: Free Life Editions, [1914] 1975). But it resonates throughout more recent studies of this quintessential anthropological question, including Robert L. Carneiro, "A Theory of the Origin of the State," *Science* 169 (August 21, 1970): 733–88; Ronald Cohen and Elmar R. Service, eds., *Origins of the State: The Anthropology of Political Evolution* (Philadelphia: Institute for the Study of Human Issues, 1978); Robert Carneiro, "The Chiefdom: Precursor of the State," in *The Transition to Statehood in the New World*, Grant B. Jones and Robert R. Kautz, eds. (Cambridge, U.K.: Cambridge University Press, 1981); Keith F. Otterbein, "The Origins of War," *Critical Review* 11 (Spring 1997): 251–77; and

How can they attribute the origins of government to successful conquest and simultaneously maintain that a completely free society, without government, could prevent such conquest? It is this paradox that will be addressed in the following pages. Doing so obviously hinges on establishing a crucial difference between the conditions that permitted governments to arise in the first place and those that would characterize a future free society. So let us initially turn our attention to the first set of conditions, and ascertain exactly what about the Agricultural Revolution created such fertile soil for the growth of coercive monopolies.

I

Unlike the State, warfare predates the Agricultural Revolution. It was endemic among bands of hunter-gatherers. But it never led to permanent conquest. Why not? The explanation is simple enough. Hunters and gatherers could easily exit to new land. "Where population densities are very low," writes Jared Diamond, "as is usual in regions occupied by hunter-gatherer bands, survivors of a defeated group need only move farther away from their enemies."[4] This option ceases to be viable only with the higher concentrations of population supported by food production. "No doubt, if tax and rent collectors pressed too heavily on those who worked the fields," admits William H. McNeill,

> the option of flight remained. But in practice, this was a costly alternative. It was rare indeed that a fleeing farmer could expect to find a new place where he could raise a crop in the next season,

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Diamond, *Guns, Germs, and Steel*, pp. 53–66, 265–92. For an engaging account of the role of warfare in the rise of one state that occurred late enough for Europeans to observe and record, see the first half of Donald R. Morris, *The Washing of the Spears: The Rise and Fall of the Zulu Nation* (New York: Simon and Schuster, 1966).

[4]Diamond, *Guns, Germs, and Steel*, p. 291.

> starting from raw land. And to go without food other than what could be found in the wild for a whole year was impractical.[5]

In other words, hunting and gathering tends to prevail when land is relatively abundant. Yet this very abundance condemned hunting and gathering to a Malthusian dilemma. Without any serious land scarcity, hunting-gathering societies had little incentive to establish or enforce clear property rights in natural resources. Population therefore expanded, subjecting this most basic form of production to diminishing marginal returns. The most extreme manifestation of the resulting overutilization of common resources are the species extinctions that many authorities now attribute to primitive hunters. Such extinctions have their modern counterparts in the current inefficient harvesting of whales and other resources from the commonly owned oceans.

Whether humans were the primary agents in the disappearance of woolly mammoths and some 200 other species of large mammals in the late Pleistocene is still debated. But the lack of enforceable property rights in land indisputably created a free-rider or negative-externality problem among competing bands of hunters and gatherers that caused their numbers to steadily expand. At some point, the growing population drove returns to hunting and gathering so low that settled agriculture and animal husbandry became more productive. This change in relative productivity then provided incentives for the necessary innovations in plant cultivation and animal domestication. Thus, rising population densities became both the most important cause and one of the most important consequences of the Agricultural Revolution. Migratory bands of scattered hunters and gatherers were supplanted by larger, relatively sedentary populations of farmers and herders.[6]

[5]McNeill, *Global Condition*, p. 82.

[6]This economic analysis of the Agricultural Revolution's causes basically follows North, *Structure and Change in Economic History*, pp. 72–89, who considers and critiques other hypotheses.

Property rights in land now emerged, as the spread of agriculture made this resource increasingly scarce. At the same time, however, settled populations became increasingly vulnerable to both microparasites and macroparasites. Macroparasites could take the form of marauding raiders who merely plundered their victims and perhaps exterminated them. But "[a]daptation between host and parasite always tends toward mutual accommodation," as McNeill puts it.[7] The most successful macroparasites were the warriors and rulers who stumbled into some kind of long-run equilibrium with their coerced subjects. They extracted enough resources through tribute and taxation to be able to ward off competing groups of macroparasites, but not so much that they killed off their host population. They, in short, usually operated within the range of the Laffer curve's apex, for those rulers who seized too much or too little wealth often suffered military defeat at the hands of other rulers. In this fashion, egalitarian bands evolved first into tribes and then into chiefdoms and finally into hierarchical States.

The free-rider problem, long presented by economists as a normative justification for the State, is in reality a positive explanation for why the State first arose and persisted. All the earliest governments about which we have any knowledge had relatively small ruling classes dependent upon wealth transfers from a much larger subject population. Why did not the more numerous subjects ever rise up and overthrow their masters? The free rider is the key. Revolutionary activity is always extremely risky. But nearly all subjects would benefit from a successful revolution, regardless of whether they participated in it or not. This remained an enormous obstacle to organizing the masses. Small, concentrated ruling classes, in contrast, faced fewer free-rider problems in carrying out their conquests. Therefore, the history of the State over the millennia from the Agricultural Revolution to the present has become an always dreary and sometimes horrific litany of special interests triumphantly coercing larger groups.

[7] McNeill, *Global Condition*, p. 87.

Numbers are not utterly irrelevant, however. All other things equal, bigger armies have an advantage over smaller ones. As governments continued the hallowed human tradition of waging war, they found it useful to motivate their subjects to fight for them. This helped bring about the oft-cited alliance between State and religion, between Throne and Altar, between Attila and the Witch Doctor.[8] All States promote some ideology, whether religious or secular, that legitimizes their rule. Legitimization makes the State's subjects more docile generally but in particular provides more willing fodder for war. Quoting Diamond again, it

> gives people a motive, other than genetic self-interest, for sacrificing their lives on behalf of others. At the cost of a few society members who die in battle as soldiers, the whole society becomes much more effective at conquering other societies or resisting attack.[9]

Governments ruling over greater populations, consequently, could more easily defeat their rivals. Even today, it is fairly obvious who would win a war between Germany and Luxembourg, between China and Hong Kong, or between the United States and Grenada. Recall, moreover, that the State owes its origins to the rising populations of the Agricultural Revolution. When ancient governments intruded upon remnant bands of hunter-gatherers, the population difference was severe. Couple that with the devastating impact of the microparasitic diseases spawned and spread by denser agricultural societies on peoples not exposed long enough to develop some natural immunity, and the population difference became even more overwhelming.

[8]The allusion to Attila and the Witch Doctor comes from the introductory essay of Ayn Rand, *For the New Intellectual* (New York: Random House, 1961). For a scholarly explication of the same theme, see chap. 14, "From Egalitarianism to Kleptocracy," in Diamond, *Guns, Germs, and Steel.*

[9]Diamond, *Guns, Germs, and Steel*, p. 278.

Whether it was the indigenous San (Bushman) of South Africa being driven to the marginal lands of the Kalahari Desert by the cattle-herding Bantu, or the Aboriginal Australians being decimated by the guns and diseases of the invading Europeans, Stateless societies of hunter-gatherers were for this reason always displaced.

II

Population is obviously not the only factor influencing military outcomes. A casual perusal of the intermittent warfare that has characterized the long history of governments helps us identify several others. Wealth and technology are at least as important, with wealthier or more technologically advanced societies enjoying a clear advantage. This was another factor that worked against primitive Stateless societies. The concentrated populations of the Agricultural Revolution also fostered the emergence of trade and cities, and the resulting mutual gains, as McNeill observes, "are as much a part of the historic record as are [the] exploitation and lopsided taking" by governments. To this contemporaneous development of markets we owe all the accouterments of civilization.[10]

"For centuries," McNeill continues,

> exchanges of goods and services, which were freely and willingly entered into by the parties concerned, flickered on and off, being perpetually liable to forcible interruption. Raiders from afar and rulers close at hand were both perennially tempted to confiscate rather than to buy; and when they confiscated, trade relations and voluntary production for market sale weakened or even disappeared entirely for a while. But market behavior always tended to take root anew because of the mutual advantages inherent in exchange of

[10]McNeill, *Global Condition*, p. 75.

> goods coming from diverse parts of the earth or produced by diversely skilled individuals.[11]

Over the long run, those governments that permitted trade, with its concomitant wealth creation and technological innovation, had more and better physical resources to devote to war.

Geography is another determinant of war. Rivers, bodies of water, sea lanes, and ocean barriers can play diverse roles in military maneuvers. Some countries are endowed with more easily defensible terrain, because of mountains, forests, deserts, disease environments, or other natural obstacles. The geographical unity of China, bound together by two long navigable river systems, partly hemmed in by high mountains, and with a rather uniform coastline, has favored both its political unity for much of the time since 221 B.C. and its vulnerability to the barbarian invasions of horse-mounted nomads. This stands in stark contrast to Europe, divided up by an irregular coastline, mountain ranges, and water obstructions that have left it politically, linguistically, and ethnically fragmented to this very day. The importance of geography is underscored by its role in the survival of a few isolated enclaves of hunter-gatherers well into the twentieth century, long after the world's States had staked out their territorial claims to the planet's entire land surface.

A final factor affecting warfare is, as we have seen, the motivation of the people themselves. Ideas ultimately determine in which direction they wield their weapons or whether they wield them at all. Morale has not only affected military operations directly but also has affected indirectly the capacity of governments to impose their rule. Much successful State conquest has been intermediated through local ruling classes, who remain legitimized among the subject population. This is well exemplified in the cases of British rule over India and the Spanish conquest of Mexico. The effective dominance of would-be conquerors who possess military superiority but face

[11]Ibid.

the implacable hostility of an ideologically united population is more problematic. The English hold on Ireland was, due to this factor, always tenuous, and one can find similar instances into the modern day. This is another advantage sometimes possessed by hunter-gatherers and primitive agriculturalists in their struggles with more centralized societies. Contrast Spain's fairly rapid conquest of the Indians of Central and South America, already habituated to indigenous State rule, with the much more drawn-out European campaigns against the North American Indians, who were slowly expropriated, expelled, and exterminated over several centuries but never really fully subjugated until the twentieth.[12]

We can analyze the waging of war, therefore, in a manner somewhat analogous to the economic analysis of production. The same three categories of productive factors—labor (human resources), land (natural resources), and capital goods (wealth and technology)—serve as inputs into any military endeavor, with the labor applied having both a quantitative dimension and a qualitative, human-capital dimension. The combatant who can marshal a greater input of any one of these factors, *ceteris paribus,* has a military advantage, although there will be numerous situations under which governments decide that actually allocating these resources to war is not worth the potential gain in territory and revenue. It would be nice if we could expand this analysis into a fully articulated theory allowing us to predict the size and shape of states.[13] Alas, we are not even close to such knowledge, but we nonetheless can detect some crucial relationships.

[12]Thomas Sowell, *Conquests and Cultures: An International History* (New York: Basic Books, 1998), offers several case studies of the relationship between conquest and culture.

[13]Preliminary attempts are David Friedman, "A Theory of the Size and Shape of Nations," *Journal of Political Economy* 85 (February 1977): 59–77, and Kenneth E. Boulding, *Conflict and Defense: A General Theory* (New York: Harper and Row, 1962).

Prior to the Industrial Revolution, no region of the globe experienced the sustained economic growth that has come to be expected nowadays as ordinary. Some places and times, perhaps ancient Rome, might have enjoyed a temporarily higher level of average wealth per person than others, but general economic stagnation, without any regular, long-run increase in output per capita, remained the prevailing condition for thousands of years after the outset of the Agricultural Revolution. It was a stagnation, moreover, in which the State's expropriations "tended to keep the peasant majority of civilized populations close to bare subsistence."[14] Disparities among States in wealth and technology, above and beyond those that inevitably resulted from disparities in population, consequently played a secondary role in warfare. Only with the unprecedented economic advances accompanying sustained growth did military capital become so decisive that it outweighed mere numbers and permitted handfuls of Europeans to subdue hordes of natives.

It has now become almost a commonplace observation that the Industrial Revolution first erupted in Western civilization because of Europe's political pluralism. In nearly all prior civilizations, imperial States came to encompass the entire area within which significant trade was conducted. Only in Europe did the trading area and a common culture extend beyond the borders of many small States, creating a truly polycentric legal order. The downside of Europe's political fragmentation was frequent and fratricidal wars that reached their fateful culmination in the mass destruction of the two world wars of the twentieth century. But fortunately every military attempt to consolidate the continent, whether by Philip II of Spain, Napoleon Bonaparte, or Adolf Hitler, proved abortive. The benefit of this competition among various jurisdictions was that it encouraged—like competition always does—innovation, in this case the institutional innovations with regard to property

[14]McNeill, *Global Condition*, p. 74.

and markets that were the prerequisites for capital accumulation and sustained growth.[15]

A simple way to model what happened is to conceive of long-run shifts in the Laffer curve. The short-run Laffer curve depicts the immediate trade-off between tax rates and tax revenue, or more broadly, between the State's rate of expropriation, aggregating all its exactations, and the total revenue it manages to extract from the economy.[16] Only by reducing the expropriation rate well below what will generate maximum revenue can governments lay the preconditions for secular increases in output. Over time, ironically, this will shift the Laffer curve upward so that even at the same expropriation rate, the government will capture more total revenue. Just as private savers must give up consumption in the present to gain more consumption in the future, governments had to give up revenue in the present in order to stimulate the growth that

[15]Both McNeill, *Global Condition*, pp. 113–14, 117–22, and Diamond, *Guns, Germs, and Steel*, pp. 409–19, emphasize political competition within Europe, but the author who has pushed this analysis furthest is the Marxist historian, Immanuel Wallerstein, *The Modern-World System: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century* (New York: Academic Press, 1976). On the other hand, North, *Structure and Change in Economic History*, pp. 158–86, pays more attention to the institutional developments in property rights as a factor in the Industrial Revolution. See also Paul Kennedy, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000* (New York: Random House, 1987).

[16]Unlike the demand-and-supply diagram, there seems to be no firm convention among economists yet about which variable belongs on which axis for the Laffer curve. I have seen texts present it both ways: with tax rates on the horizontal and tax revenue on the vertical, and vice versa. I have worded my discussion assuming that revenue is on the vertical axis. If you put it on the horizontal, then the long-run curve would of course shift outward rather than upward.

would make them wealthier and stronger in the future.[17] In the intensely competitive political environment of Europe some States were finally able to discover this formula for eclipsing their rivals.

The same political competition has more recently exposed the utter economic failure of socialism. Without the dramatic comparison with the more prosperous West, the collectivist economies of the Soviet Union and China might have survived politically for eons—despite the inescapable increasing immiseration of the masses and retrogression to the stagnation of the ancient world. But competition among States cannot all by itself account for either the Industrial Revolution or the collapse of socialism. There also must be some mechanism that generates variation in government policies in the first place. And that brings us back to the realm of ideas, culture, and legitimization. What I am suggesting is a process of natural selection among States, similar to the natural selection among living organisms. Whereas genetic mutations cause the changes and adaptations that drive the evolution of living species, the decisive causal agent for governments is ideology.[18]

III

Ludwig von Mises was the first to explain and predict the collapse of socialism. But this was just one part of his comprehensive, utilitarian defense of laissez-faire. The other part was Mises's critique of what he called interventionism, or what economics texts used to refer to as the mixed economy and what

[17]An empirical study of the relationship between government revenue and economic growth—James Gwartney, Robert Lawson, and Randall Holcombe, *The Size and Functions of Government and Economic Growth* (Washington, D.C.: Joint Economic Committee of the U.S. Congress, 1998)—finds that the rate of growth rises as government spending falls over all observed ranges of government size.

[18]But see David Ramsay Steele's excellent review essay, "How We Got Here," *Critical Review* 2 (Winter 1988): 111–48, for some potential pitfalls with concepts of cultural evolution.

became known historically in Europe as social democracy. While central planning was incompatible with the prosperity wrought by the Industrial Revolution, a more limited welfare State was, in Mises's view, inherently unstable. Each specific government measure would cause such social disruption that it would either bring on further intervention or force its repeal. Society would ultimately end up with either pure socialism or laissez-faire, and since of the two, only laissez-faire could support the living standards to which Europeans had become accustomed, the choice was obvious.[19]

Events proved Mises to have been absolutely right about central planning but wrong about interventionism. Indeed, the truth about the client-centered, power-broker State is diametrically opposite Mises's prediction. Rather than being inherently unstable, it is the gravity well toward which both market and socialist societies sink. And public choice theory, which in Mises's terminology works out the praxeology of politics, has provided us with the reason. Because concentrated groups face fewer free-rider problems in seeking government transfers, they have an inordinate influence on policy. Today, just as was true at the dawn of civilization, the State's strongest incentives are to benefit special interests at the expense of the general public.[20]

[19]This analysis of both socialism and interventionism are in *Human Action: A Treatise on Economics*, 3rd rev. ed. (Chicago: Henry Regnery, 1966), Ludwig von Mises's *magnum opus*. See particularly pp. 855–61 for a summary. Mises's book-length treatment of the socialist calculation problem is *Socialism: An Economic and Sociological Analysis* (New Haven, Conn.: Yale University Press, 1951), first published in German in 1922.

[20]Some of the most important works in the development of public choice theory are Anthony Downs, *An Economic Theory of Democracy* (New York: Harper and Row, 1957); James M. Buchanan and Gordon Tullock, *The Calculus of Consent: Logical Foundations of Constitutional Democracy* (Ann Arbor: University of Michigan Press, 1962); William A. Niskanen, Jr., *Bureaucracy and Representative Government* (Chicago: Aldine-Atherton, 1971); Albert Breton, *The*

Because of the rent-seeking that this incentive structure encourages, not only did Britain and the United States recede after 1900 from perhaps the apogee of limited government in world history, but also Russia's rulers had retreated in practice from the pure Marxist goal of abolishing all markets long before the Soviet Union's disintegration in 1991. The Brezhnev-era reign of the *apparatchiks* and *nomenklatura* was a far cry from the systematic central planning of Stalin's Five-Year Plans, much less the fanatical assault on all monetary exchange of Lenin and Trotsky's War Communism.[21] The macroparasitic governments in both cases had been extracting revenue well below the potential maximum of the short-run Laffer curve. And whereas Soviet special interests found that they could gain greater transfers with bribes, corruption, and other practices that in effect relaxed the government burden on the economy, the temptation for British and U.S. rulers to exploit the short-run gains in revenue by moving up the Laffer curve was too great, even at the possible cost of long-run growth.

Public choice analysis, however, is in the awkward position of raising an across-the-board theoretical obstacle to any changes that drive the economy off this social democratic, neomercantilist midpoint. There must be some force causing perturbations and oscillations in government policy, or else nearly all humankind would still be slaves groaning under the Pharaohs of Egypt. Most public choice theorists simply rely upon such historical accidents as wars, revolutions, and conquests to

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Economic Theory of Representative Government (Chicago: Aldine 1974); and Mancur Olson, *The Rise and Decline of Nations: Economic Growth, Stagflation, and Social Rigidities* (New Haven, Conn.: Yale University Press, 1982). See also Tullock, *The Social Dilemma: The Economics of War and Revolution* (Blacksburg, Va.: University Publications, 1974).

[21]David Ramsay Steele, *From Marx to Mises: Post-Capitalist Society and the Challenge of Economic Calculation* (Chicago: Open Court, 1993), does the best job of charting this Marxist retreat.

sweep away existing distributional coalitions.[22] But attributing changes to accident is simply saying the difference is unexplained. "[T]he economic historian who has constructed his model in neoclassical terms has built into it a fundamental contradiction," concedes Nobel Prize–winning economist Douglass C. North, "since there is no way for the neoclassical model to account for a good deal of the change we observe in history."[23]

The missing variable is ideas. All successful States are legitimized. No government rules for long through brute force alone, no matter how undemocratic. Enough of its subjects must accept its power as necessary or desirable for its rule to be widely enforced and observed. But the very social consensus that legitimizes the State also binds it.[24] Ideology therefore becomes the wild card that accounts for public-spirited mass movements overcoming the free-rider problem and affecting significant changes in government policy. For ideology can motivate people to do more for social change than the material rewards to each individual would justify. "Casual observation . . . confirms the immense number of cases where large group action does

[22]Olson, *Rise and Decline of Nations*, exemplifies this approach. I am reminded of a conversation I once had with Gordon Tullock in which he attributed most British liberty to the unintended effects of the completely random and therefore unexplainable adoption of trial by jury in England.

[23]North, *Structure and Change in Economic History*, pp. 10–11.

[24]My discussion is deliberately vague about how many subjects is enough and how tightly they bind the state. Our theoretical understanding of government requires much development before we can systematically answer those questions. For a fascinating argument that a single social consensus may create multiple stable equilibria with respect to state power, see Timur Kuran, *Private Truths, Public Lies: The Social Consequences of Preference Falsification* (Cambridge, Mass.: Harvard University Press, 1995). This would create for government policies the kind of path dependency that free-market economists have rejected as significant on the market.

occur and is a fundamental force for change," writes North.[25] Russia was driven to the excesses of Bolshevism by a secular ideology—not mere rent-seeking. At the other end of the spectrum, classical liberalism had to generate similarly potent ideological altruism that overcame free-rider disincentives in order to roll back coercive authority in many Western nations.

We know even less about what causes ideas to succeed than we do about what determines the size and shape of government jurisdictions. The famed zoologist Richard Dawkins has offered the intriguing proposition that ideas have striking similarities to genes. Many apparent paradoxes in biological evolution disappeared once biologists recognized that the process was driven by the success with which "selfish" genes (rather than individuals or species) could replicate themselves. Dawkins suggested the term "memes" be applied to ideas, whose capacity to replicate in other minds likewise determines their spread.[26] No matter how useful this parallel between cultural and genetic evolution may ultimately prove, it at least helps to disabuse us of the illusion that an idea's validity is the sole or primary factor in its success. Those who doubt that false ideas can be tremendously influential need only glance at the worldwide success of so many mutually exclusive religions. It is not simply that they cannot all be true simultaneously; if

[25]North, *Structure and Change in Economic History*, p. 10. Another economic historian who has brought ideology back is Robert Higgs in *Crisis and Leviathan: Critical Episodes in the Growth of American Government* (New York: Oxford University Press, 1987).

[26]Richard Dawkins, *The Selfish Gene*, new ed. (Oxford: Oxford University Press, 1989), pp. 189-–201. Another author who has pursued the concept of memes is Daniel C. Dennett, in his philosophical *tour de force*, *Darwin's Dangerous Idea: Evolution and the Meanings of Life* (New York: Simon and Schuster, 1995), pp. 333–69. An older but not incompatible approach to the sociology of ideas is in Thomas S. Kuhn's classic, *The Structure of Scientific Revolutions*, 2nd ed. (Chicago: University of Chicago Press, 1970).

one is true, then many of the others are not simply false, but badly false.

Or, to seize an example still closer to our topic, observe the tremendous popularity of invalid ideas that legitimize the State among those whom the State exploits. Other things being equal, the truth of an idea might give it some advantage, but other things are rarely equal. The one consolation we can draw is that a meme-based theory implies that the spread of ideas is similarly independent of government. The State, for instance, appears to have played no part in the birth and initial growth of Christianity, and the draconian efforts that many governments devote to the suppression of dissent testifies to the threat posed by that kind of autonomous ideological development.

Successful ideas therefore can induce alterations in the size, scope, and intrusiveness of government. The steady advance of civilization presents a succession of such surmountings of the free-rider obstacle. But the duration of any alterations have in turn rested on other factors, especially the intensity of the competition among States. Over the long run, only those changes in policy that helped a society survive were likely to endure. Even then, ideological altruism and rent-seeking remained in constant tension. Free-rider dynamics were always tending to unleash a process of decay, enfeebling a society's ideological sinews and ravaging its ideological immune system. Public choice theory thus puts real teeth into the famous maxim: "The price of liberty is eternal vigilance."

IV

For most proposed reforms, policy issues can and should be separated from strategic issues. Whether the repeal of minimum-wage laws would have desirable economic consequences, for instance, is distinct from the question of whether the repeal of minimum-wage laws is politically attainable. But when considering protection services, this dichotomy breaks down. As I have pointed out elsewhere, protection from foreign governments is merely a subset of a more general service: protection

from any government, whether we label it foreign or domestic.[27] The privatization of this service is tantamount to the abolition of the State. The territory constituting the United States is in a very real sense already conquered—by the United States government. Only when Americans have liberated themselves from that conqueror will they have effectively denationalized defense. In other words, the policy question—can private alternatives provide more effective protection from foreign aggressors?—and the strategic question—can any people mobilize the ideological muscle to smash the State?—are intimately intertwined.[28]

Hence it makes good sense to try to imagine what society would look like if minimum wages were repealed without any other change. But it makes far less sense to imagine what society would look like if government were abolished—and especially to ask how such a Stateless society might protect itself—without any other change. By the very act of overthrowing the domestic government (whether peacefully or forcibly), the former subjects will have forged powerful tools for protecting themselves from foreign governments. The same social consensus, the same institutions, and the same ideological imperatives that had gained them liberation from their own State would be automatically in place to defend against any other States that tried to fill the vacuum.

So let us assume that in some country, somewhere, government has become so completely delegitimized that it ceases to exist. How might such a society fare militarily within a world of competing States? The result, it turns out, still depends on the same elements we listed above as determinants in military conflict: wealth and technology, geography, population, and motivation. With regard to wealth and technology, a modern

[27]Hummel, "National Goods Versus Public Goods," pp. 96–97, 117.

[28]To his credit, Rothbard perceptively recognized that defending a free society was partly a strategic question posing as a policy question. See his discussion in *For a New Liberty*, pp. 238–40.

Stateless society would enjoy a major advantage. Not only will it achieve more rapid increases in economic output and technological improvement upon the ending of government macroparasitism, but it should already have an economic edge because the most likely candidates for government abolition are countries where intervention is already minimal. The compounding effects of a higher growth rate will only enhance this potential superiority in military capital over time, so that a future free society may have as little to fear militarily from rival States as the United States currently has to fear from such economic basket cases as Mexico, India, or even Indonesia. Thus, what was one of the greatest weaknesses for hunter-gatherer communities will become one of the greatest strengths of anarcho-capitalist communities.

Geographical endowments, in contrast, are pretty much a matter of serendipity and could go either way. Population fits a similarly unpredictable pattern. A small anarcho-capitalist population will be more vulnerable than a large one. This is just a reflection of the sad fact of reality that how much government I suffer is affected by what my neighbors believe. Even arming myself with privately owned nuclear weapons is not a strategically wise way to protect myself from taxes, so long as most of my countrymen think taxes are just and necessary. But unlike bands of hunters and gatherers, a future free society will at least not inevitably suffer from a population disparity with respect to its statist neighbors.

Nor need such a disparity be permanent, if it does exist at the outset, once the fourth military determinant—motivation—is brought into play. A people who have successfully fabricated the ideological solidarity necessary to overthrow their domestic rulers would be extremely difficult to conquer, as we have already observed. Posing no threat of conquest themselves, they can tap into the sympathies of a foreign ruler's subjects better than any other opponent such rulers might take on. Would-be conquerors could find their own legitimization seriously compromised. Just as the American Revolution set off sparks that helped ignite revolutionary conflagrations in many

other countries, a vibrant economy free from all government will arouse such admiration and emulation that it will surely tend to expand. In short, a future Stateless society has the best prospects of working ideological dynamics, both internally and externally, to its benefit. To switch to Dawkinesque terms, anarchy is a meme which, if it were to take hold in one location, has indeed the potential to spread like wildfire.

But we cannot leave the ideological factor on a totally optimistic note. The problem of achieving a free society is similar to the problem of maintaining one, but not absolutely identical. Ideological fervor has waxed and waned throughout history. I can offer no guarantee that after several generations of liberty and abundance, a Stateless community will never suffer the same kind of decay that has afflicted so many polities in the past. Ideological altruism is a hard motive to keep burning strong, even for a single lifetime. David Friedman has persuasively argued that anarchy will bring us to "the right side of the public good trap." In other words, once government is gone, the underlying incentive structure is altered. People now individually gain the most from supporting "good laws" that produce net social benefits rather than "bad laws" that provide transfers at the cost of deadweight loss. But Friedman's argument may implicitly require a resolute social consensus that prevents any reintroduction of taxation.[29] Can such a consensus fend off all potential conquerors, foreign and domestic, forever?

[29]Friedman, *Machinery of Freedom*, pp. 156–59. The existence of this implicit ideological precondition in Friedman's analysis of a future anarcho-capitalist society is suggested by his asymmetric answers to the national-defense and stability problems. Whereas he is very optimistic about protecting an anarchist society from the reemergence of domestic States, he is very pessimistic (as observed in note 1 above) about protecting it from foreign States. Since I see these as essentially the same problem, I believe Friedman is too optimistic about the former and too pessimistic about the latter.

V

Let us summarize. The State triumphed in the distant past over Stateless bands of hunter-gatherers because of the favorable interaction of two major factors. The earliest governments, arising as a consequence of the Agricultural Revolution, could draw upon (1) the denser, more disease-resistant populations that food production supported and (2) the superior wealth and technology accompanying the appearance of trade and cities. Hunter-gatherers, even when they fought with steadfast morale, were easy prey unless they also were shielded by inaccessible geography.

Neither of these two factors, however, would necessarily handicap a future anarcho-capitalist society. The sustained economic growth that began with the Industrial Revolution has increased the leverage of wealth and technology in military conflict. Since there is an inverse relationship between the extent of government and the rate of economic growth, Stateless societies would almost undoubtedly have an advantage in military capital. The population of any future community without government will admittedly vary with historical circumstances. The larger its population, the greater its ability to prevent conquest.

But helping such a community both to resist invasion and to expand its area would be the motivation of its people. Settled agricultural populations were initially vulnerable to State conquest because of the free-rider problem. Large groups always face tremendous obstacles in overcoming the disincentives to organize and affect government policy. Yet the accumulation of ideological capital over the centuries and the successful instances of curtailed State power show that this problem is not decisive. Any movement powerful enough to abolish a standing government in the modern world has demonstrated thereby its ability to motivate a high order of ideological altruism. It would certainly be a meme capable of international propagation.

Everything said, the human species may still be unable to rid the earth of macroparasitic States, just as it may never eliminate all microparasitic diseases. But the possibility that disease is

inevitable would never be entertained as an adequate justification for abandoning medicine's efforts against this scourge. The history of Western civilization demonstrates that great strides are feasible—both in curbing illness and in curbing government. Although we may never finally abolish all States, there is little doubt that we can do still better at restraining their power, if only we can motivate people with the will to be free.

Section Four

Private Security Production: Practical Applications

9

National Defense and the Theory of Externalities, Public Goods, and Clubs

Walter Block

Levin[1] wrote a wonderful little essay showing "How Philosophical Errors Impede Freedom." His "skim milk" fallacy[2] is the mistake of assuming that the truth is the very opposite of what appears to be the case based on logic, careful consideration, and observation.

The history of political economy is positively littered with examples of this sort. Perhaps the most famous is Hazlitt's[3] hoodlum[4] who "heaves a brick through the window of a baker's shop." Ordinarily, this would seem to be economically harmful. Levin's philosophical fallacy concludes the very opposite.

This, however, is but the tip of the iceberg. In this vein, Murray points out tongue-in-cheek that "discrimination against white men is to be encouraged because it is the discrimination

[1]Michael Levin, "How Philosophical Errors Impede Freedom," *Journal of Libertarian Studies* 14, no. 1 (Winter 1998–99): 125–34.

[2]Based on Gilbert and Sullivan's *Pinafore* character, Little Buttercup, who sang, "Things are seldom what they seem, Skim milk masquerades as cream" (ibid., p. 129).

[3]Henry Hazlitt, *Economics in One Lesson* (New York: Arlington House, 1979), p. 23.

[4]See also on this Frédéric Bastiat, *The Law* (Irvington-on-Hudson, N.Y.: Foundation for Economic Education, 1962); idem, *Economic Harmonies*, W. Hayden Boyers, trans. (New York: Van Nostrand, 1964).

to end discrimination."[5] Commenting on a U.S. standing army during the Cold War, Flynn trenchantly stated, "It makes no sense to militarize the economy in the name of fighting a militarized economy."[6]

The liar paradox, also called Epimenides's Paradox, is another case in point. This is the paradox that if "This sentence is not true" is true, then it is not true, and if it is not true, then it is true. This example shows that certain formulations of words, though grammatically correct, are logically nonsensical. For example, the statement, "I am lying" is true only if it is false, and false if it is true. Epimenides, a sixth-century B.C. Cretan prophet, first recorded such a paradox.[7]

Yet another example takes place in the context of sociobiology. Wilson[8] maintains that the social sciences can be reduced to the physical ones; particularly, "that the distinctively human quest for unity of knowledge" can be reduced to, ultimately, physics. Hassing's reply is worth quoting at length:

> The problem of self reference is posed as soon as we ask the question "what caused E.O. Wilson to write his book?" Suppose we answer that higgling molecules in E.O. Wilson's brain are the complete and sufficient causes of all the activity, physical

[5]Hugh Murray, "White Male Privilege: A Social Construct for Political Oppression," *Journal of Libertarian Studies* 14, no. 1 (Winter 1998–99): 136.

[6]John T. Flynn, *As We Go Marching*, (New York: Free Life Editions, 1944 [1973], cited in Llewellyn H. Rockwell, Jr., "Buckleyism, RIP," *Triple R. Rothbard-Rockwell Report* 10, no. 7 (July 1999): 11.

[7]See William Kneale and Martha Kneale, *The Development of Logic, (*Oxford: Clarendon Press, 1962), p. 228; Bible, New Testament, Titus 1:12–13; Douglas R. Hofstadter, *Gödel, Escher, Bach: An Eternal Golden Braid* (New York: Basic Books, 1979), p. 17. I owe this point and reference to William Friedman.

[8]Edward O. Wilson, *Academic Questions* (Summer 1998); idem, *Consilience: The Unity of Knowledge* (New York: Random House, 1998.)

> and mental, involved in writing *Consilience*. Now we know a lot about the properties of molecules. Truth seeking is not one of them. If jiggling brain molecules are the whole cause of E.O. Wilson's production of his book, then there is nothing more than a chance connection between human knowledge and the array of letters on the pages of *Consilience*. . . . Applying his universal reductionist principles of explanation to his own act of explaining—referring his explanation to himself—leads to a certain type of contradiction: what he says contradicts his credibility as a truthful speaker. He fails the test of self reference.[9, 10]

I myself have contributed in a small way to this literature of internal self-contradiction. In a debate with a Malthusian concerning the argument for population control, I stated,

> even its advocates do not take it seriously. If one were seriously worried about overpopulation, the advocate of that view has one option, and that is suicide. The fact that (my opponent in this debate) is still here, talking, arguing, breathing and living, is contradictory to his stated position. It is, further,

[9]Richard F. Hassing, "And Furthermore . . ." *Academic Questions* (Winter 1998–99): 6.

[10]States John C. McCarthy, "The Descent of Science," *Review of Metaphysics* 5, no. 4 (June 1999): 851–52.

> *Consilience* violates a logical rule so basic that it holds for any speech whatsoever: it fails the test of self-reference. The ontological reductionism that purports to be the substance of his speech undermines the rational presuppositions underlying his act of speaking. One must therefore say of his book what was once said by a man whom Wilson credits as "the grand architect" of modern natural science regarding science in its pre-modern signification: it is "like some magnificent mass without any foundation."

> hypocritical. It is evidence that he is not convinced by his own arguments. If he were, he has it within his power to lower the population by at least one.[11]

Perhaps the most profound utilization of this insight was offered by Hoppe in his "argument from argument."[12] Hoppe demonstrates that while it is of course possible for one man to initiate violent aggression against another man and his property, he cannot upon pain of contradiction *argue* that he has a right to do any such thing, for by its very nature, the essence of discourse is to concede to one's opponent the right to use his vocal chords, chest cavity, tongue, throat, etc., and to stand or sit on a certain piece of property. Thus, in arguing for the right to throttle people or steal their possessions, one cannot pass the test of self-reference.

No matter what you call it—the skim-milk fallacy, the problem of self-reference, the difficulty of committing a pragmatic or logical contradiction—this problem is widespread in the literature of what passes for social scientific thought. But nowhere does it form more of the very basis of an entire philosophical outlook than in the case of national defense provided by governments. To put the thesis of this paper in a nutshell, to argue that a tax-collecting government can legitimately protect its citizens against aggression is to contradict oneself, since such an entity *starts off* the entire process by doing the very *opposite* of protecting those under its control. The government, by its very

[11]Walter Block, "Population Growth: Is It a Problem?" *Resolving Global Problems into the 21st Century: How Can Science Help? Proceedings of the Fourth National Conference of Canadian Pugwash*, Peter S. Ross, Sheila Riordon, and Susan MacArtney, eds. (Ottawa: CSP Publications, 1989), p. 43.

[12]Hans-Hermann Hoppe, *The Economics and Ethics of Private Property: Studies in Political Economy and Philosophy* (Boston: Kluwer Academic Publishers, 1993), pp. 204–07. See also Stephan Kinsella, "Punishment and Proportionality: The Estoppel Approach," *Journal of Libertarian Studies* 12, no. 1 (Spring 1996): 51–74.

essence, does two things to its citizens incompatible with this claim. First, it *forces* the citizenry to enroll in its "defense" activities, and second, it *prohibits* others who wish to offer protection to clients in "its" geographical area from making such contracts with them, in preference to the one it itself offers to them, under duress. If true protection from violence includes the government itself, and there is no reason it should not, then it is *this* entity which is the prime rights violator. The state, here, is indistinguishable from the Mafia chieftain who tells his victim he will protect her from *himself.*[13] What are the specifics?

Externalities

The first attempt to justify the levying of compulsory taxation in order to "protect" the citizen that we will consider is the argument from externalities. Many economists maintain that national defense is the sort of thing which, while it indubitably helps those who pay for it (they would scarcely consent to be billed were it otherwise), these benefits cannot be fully captured by them. Rather, a part of the good effect "spills over" onto those who have *not* paid for it. Each person thinks: "If others pay for protection from external enemies, then I, instead of undertaking the defrayment of these costs, can be a 'free rider' on their expenditures." But if all go through this exercise of logic, then each will wait for the others to finance this operation; they will all operate under the hope that the other guy will pay the freight, and they will be passive beneficiaries. As a result, no one will recompense the private providers of this service, there will be no national defense, and relatively weak foreign armies will be able to overrun us.

[13]Don Corleone of *The Godfather* famously told his victims he would make them "an offer they couldn't refuse." The point, of course, is that if they couldn't refuse, it was hardly an offer; rather, it was a threat. All of this is crystal clear to the entire audience. Unfortunately, this point has eluded generations of economists, at least when it comes to the government, as the very same "offer" is made to the citizenry.

What is the solution to this conundrum? For mainstream economists, it is that the government *force* the citizenry—*all* of it—to pay taxes for national defense. In this way the cycle of externalities can be broken. No one will ever need fear that others are riding on his coattails. They, too, will be forced to bear their fair share of the common defense.

The problem here is one of self-reference. If the whole point of the exercise is to *protect* the people against the violent incursions of others, how can this be attained if at the very outset the government does to them precisely what it is supposed to be protecting them *from*? That is, according to the logic of this externalities argument, the system is to defend them against aggression. How can this *possibly* be attained if the government starts off the process by attacking them, e.g., by *compelling* them to pay for their protection, whether they wish to do so or not?

Another difficulty is that this argument is "too good." It proves too much—far too much. Were it true, it would apply not only to individuals but also to groups of people: to cities, states, even entire nations. Consider Mexico, the United States, and Canada in this regard. During the Cold War, if America arms to protect itself against the Russian imperialist bear, then according to this argument, this benefit will of necessity spill over to its two neighbors, to the north and south of it. Therefore, the U.S. will not invest in a military establishment. Similarly, for Canada and Mexico. But the Soviets, too, will face the same dilemma. If they prepare to fight the imperialistic warmongering Americans, the Chinese, the Indians, the Pakistanis, the Afghanis, Hungarians, etc., will all be the passive recipients of spillover benefits emanating from the Russian military might. They will thus wait, with bated breath, for the Soviets to do just that. But the minions of Stalin and Lenin will refuse to do so. Why should they undertake the necessary expenditures, if their neighbors refuse to contribute their fair share?[14]

[14]If I start a government, then according to this argument, it will benefit you; if you begin one, I will free-ride on it. Therefore neither

In point of fact, the Soviets and the Americans *did* build vast military establishments during the Cold War. Furthermore, the Mexicans and Canadians, to say nothing of the countries surrounding Russia, all saw fit to raise armies. So we know there is something wrong with this argument from externalities—or, at least, that this argument somehow cannot be made to apply to groups of people such as nations. But there is no reason given for the inability to generalize this argument. On the contrary, for its adherents,[15] there are no limits to its applicability.

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of us, that is, no one, will undertake this task. In other words, we can use an argument, ostensibly proving the state necessary, to prove that, according to it, this institution could not arise. For more on this see Hans-Hermann Hoppe, "Fallacies of the Public Goods Theory and the Production of Security," *Journal of Libertarian Studies* 9, no. 1 (Winter 1998): 27–46; idem, "Private Production of Defense," *Journal of Libertarian Studies* 14, no. 1 (Winter 1998–99): 27–52; idem, *The Private Production of Defense* (Auburn, Ala.: Ludwig von Mises Institute, 1998); Murray N. Rothbard, *For a New Liberty* (New York: Macmillan, 1973); Jeffrey Rogers Hummel, "National Goods versus Public Goods: Defense, Disarmament and Free Riders," *Review of Austrian Economics* 4 (1990): 88–122.

[15]Ordinarily at this point, I would feel obligated to offer several citations. This is unnecessary in the present context, in that virtually all economists accept this argument. There is not a single mainstream text dealing with the subject which demurs from it. Here is a sample: Dennis C. Mueller, *Constitutional Democracy* (Oxford: Oxford University Press 1996); Todd Sandler, *Collective Action: Theory and Applications* (Ann Arbor: University of Michigan Press, 1992); Richard Cornes and Todd Sandler, *The Theory of Externalities, Public Goods and Club Goods* (Cambridge, U.K.: Cambridge University Press, 1986).I owe this and the previous reference to Randy Holcombe. James M. Buchanan, *The Limits of Liberty: Between Anarchy and Leviathan* (Chicago: University of Chicago Press, 1975); Mancur Olson, Jr., *The Logic of Collective Action: Public Goods and the Theory of Groups* (New York: Schocken Books, 1971); Geoffrey Brennan and James M. Buchanan, *The Reason of Rules: Constitutional Political Economy* (Cambridge, U.K.: Cambridge University Press, 1985).

Could it instead be the case that the military is really an external *dis*economy? That instead of spilling benefits over to neighbors, those who arm on a massive scale are engaging in the creation of what the latter deem as *harms*? This seems to be the explanation of the U.S. gun control laws. For, if it cannot be denied that countries invest in military hardware, this is also true of local citizens. And yet, instead of giving subsidies to those who purchase pistols—and to their organization, the National Rifle Association—the government *penalizes* such activities to the extent permitted by the Second Amendment to the Constitution.

The point is, individual citizens are attempting to arm themselves, and the left-wing intellectuals who buy into the national defense externality justification or the state, instead of *applauding* this refutation of their theory, support governmental interferences with it. This, again, is self-refuting. Advocates of the externality argument defend state coercion against innocent citizens on the ground that the latter will not defend themselves, due to spillover leakages. Yet, as it happens, when individuals *do* this (e.g., invest in private armaments), instead of seeing this as the refutation of their theory that it is, they busy themselves weaving apologetics for governmental interferences with these occurrences.

So, which *is* it? Are guns, pistols, rifles, tanks, rocket launchers, jet fighters, etc., external economies or diseconomies? To ask this question is to expose the fallacies of the entire distinction, for it is not grounded in human action.[16] Rather, it is based on the subjective speculations of the court historians who want to weave apologetics for the governmental initiation of violence against innocent taxpayers by use of the externalities argument, and who support statist gun controls on those attempting to protect themselves without help from politicians or bureaucrats, contrary to this argument.

[16]Ludwig von Mises, *Human Action*, Scholar's Edition (Auburn, Ala.: Ludwig von Mises Institute, 1998); Murray N. Rothbard, *Man, Economy, and State* (Auburn, Ala.: Ludwig von Mises Institute, 1993).

Rothbard's[17] analysis is definitive. Basing his framework on the choices of actual individuals who engage in choice, his concept of demonstrated preference sheds light on this quandary: While most economists, and men in the street under their malevolent tutelage, may claim national defense as an external economy, there are those—pacifists, those who ban guns, were they but logically consistent—who see it from the very opposite perspective, as external *diseconomies.* The explanation for this gulf is clear: "One man's meat is often another man's poison."[18] For Rothbard, however, *both* are mistaken. This is because *neither* grounds its analysis in terms of human action: actual choices made in markets.

The positive externalitists may object that they cannot base their analytic framework on existing markets since, at least according to their own perspective, there cannot *be* any market for national defense. In this, they are very much mistaken, as a matter of fact. A large and thriving gun, private-detective, locksmith, cyclone-fence, and insurance industry puts paid to the notion that positive externalities are so powerful (or even that they exist) that they can preclude people from defending themselves, organized through markets. But even were there no such industry in existence, the objection that advocates of positive externalities might launch at Rothbard comes to naught. For in the absence of any *demonstration* that people who do not pay for a good or service value it nevertheless, at best this claim must be considered unproved.

[17]Murray N. Rothbard, "Toward a Reconstruction of Utility and Welfare Economics," in idem, *The Logic of Action I* (Cheltenham, U.K.: Edward Elgar, 1997).

[18]This is obvious and literally true in the case of the vegetarian. According to Richard Cornes and Todd Sandler, *Theory of Externalities, Public Goods and Club Goods*: "In the case of a pure public good, voluntarism may be absent, since the good may harm some recipients (e.g., defense to a pacifist, fluoridation to someone who opposes its use)" (p. 159). But how can it be a "pure public *good*" if it is a *bad* for at least some people?

At worst, however, it can be considered "bloody cheek,"[19] in the British expression. For, armed with the idea, I can approach you with the following claim: "You, gentle reader, have never hired me as an economic consultant. You have not taken advantage of this marvelous opportunity open to you. However, whether you know it or not, whether you realize it or not, whether you appreciate it or not, you actually benefit from my economic analysis.[20] You are thus a selfish, chiseling free-rider on these multifaceted benefits I have long provided for you, *gratis.* But now it is time to stop you from exploiting me regarding these spillover gains you have long enjoyed for free. It is time for you to pay your fair share! Accordingly, I am hereby presenting you with this bill for $100,000, a bargain at the price. If you refuse to pay, I will then initiate violence against you."

Not only is this "bloody cheek," but you could reply in the same vein to me. All of us could bill each other for services rendered to any extent we wished. Once we have left the Rothbardian world of demonstrated preference, anyone can make whatever claim he wishes. We are at sea without a rudder.

[19]At worst it deserves Rothbard's curt dismissal:

> A and B often benefit, it is held, if they can force C into doing something . . . any argument proclaiming the right and goodness of, say three neighbors, who yearn to form a string quartet, forcing a fourth neighbor at bayonet point to learn and play the viola, is hardly deserving of sober comment.

Murray N. Rothbard, "The Fallacy of the 'Public Sector,' " in idem, *The Logic of Action II: Applications and Criticism from the Austrian School* (Cheltenham, U.K.: Edward Elgar, 1997), p. 178.

[20]This goes *particularly* for those to whom I have made explicit offers of my services; their very refusal indicates they need it the most.

III. Public Goods

Another doctrine that has been used in an attempt to defend governmental provision of national[21] defense is based on the concept of public goods. As Chart 1 makes clear, two considerations give rise to an item being considered a public good or not: excludability and rivalrousness. Since either of these conditions admits only of a positive or a negative, this system generates into a two-by-two matrix. If all people apart from the purchaser can be excluded from the enjoyment of a good, e.g., a hamburger, and if the cost of serving an extra customer is positive, then we have a pure private good. In category A, there is no market failure and thus no case for governmental intervention into the economy.

Chart 1

		EXCLUDABILITY *(Can Exclude?)*	
		Yes	No
RIVALROUSNESS *(Should Exclude?)*	Yes	A *(hamburger)*	B *(crowded street)*
	No	C *(television)*	D *(defense, lighthouse)*

[21]Actually, this is a bit of an artificial construct for our analytic purposes. For the neighbor who lives next door to a man in Seattle may be far more of a threat to him than someone living in St. Johns, Canada, even though the latter, it is claimed, owes allegiance to a different country and the former is a fellow citizen. Therefore, we will consider both national defense against foreigners and, perhaps more important, protection against violent incursions whatever their geographic or political source.

In category B, it is difficult, impossible, or very expensive to exclude those who have not paid for the service, and there is rivalrousness, in the sense that each new entrant onto an already crowded street slows down, or imposes costs upon, all others who are attempting to move from place to place.

The crowded city street, then, is a semi-public good; semi-, because while it passes one criterion of the two-pronged test, it fails the other. Nevertheless, it is an instance of market failure according to this argument; hence, government should provide for, create, and manage this facility. A similar conclusion applies to category C, only here the causal antecedents are reversed. In this case goods and services are nonrivalrous, not nonexcludable, since nonpayers can easily be prevented from obtaining the service (e.g., jamming devices for TV broadcasts). But the absence of rivalrousness is a serious problem. Even though those who do not pay can be cheaply excluded from benefits, efficiency considerations mandate that they *not* be prevented from consuming, since their doing so imposes no marginal costs on anyone else.[22] In category D, we arrive at the pure public good, which "offends" against market efficiency on grounds of both rivalrousness and excludability. Once a defensive army has been put into place, or a credible threat of nuclear retaliation in response to an attack, it costs nothing to add one more person under this protective umbrella. Therefore, not only is it the case that markets cannot provide national defense, but they *should* not, even if they *could*, since this would violate strictures against economic inefficiency. And it is the same with the lighthouse. Once it has been erected and its light turned on, it costs nothing to ward off from the dangerous shoals one additional boat; nor can a ship be excluded from this benefit, since if the paying captain is to see the light

[22]To anticipate our critique below, we can state "No marginal costs, eh? What about property owners who resent being forced to allow noncustomers to consume for free, at their expense?"

beam, then so must those who did not contribute financially to this enterprise.[23]

Perhaps this schema is easier to perceive if we focus on only one type of service. In chart 2, we illustrate it solely with auto travel corridors.

CHART 2

		EXCLUDABILITY *(Can Exclude?)*	
		Yes	No
RIVALROUSNESS *(Should Exclude?)*	Yes	A *(crowded highway)*	B *(crowded street)*
	No	C *(empty highway)*	D *(empty street)*

We incorporate the fact that it is easy to exclude motorists from limited access (A and C) highways (e.g., with toll booths), but well nigh impossible to do so for city streets (B and D.) Similarly, when a thoroughfare of either type is crowded (A and B), there is rivalrousness. The marginal traveler imposes

[23]In the view of William J. Baumol (see his review of Robert Alan Dahl and Charles Edward Lindbloom, *Politics, Economics and Welfare*, [1953], which appeared in *Economic Theory and Operations Analysis* [Englewood Cliffs, N.J.: Prentice-Hall, 1961], p. 268): "The price system's shortcomings are equally well described. Its inability to provide for communal wants like defense, roads and lighthouses because of the high costs to any one individual of providing such shareable goods and services." For rejoinders to Baumol's position on defense, see footnote 14, above; on roads, see footnote 32, below; and on lighthouses, see footnote 26.

costs on all others, slowing them down, whether on street or highway. If empty (C and D), then not. Category D offends the niceties of market failure on both grounds: it is difficult to exclude people even from empty city streets, and there is no economic efficiency reason to do so in any case.

So much for the argument. What are its flaws? They are many, and they are all serious.[24] Consider first, category A. There is no denying that the marginal costs of an *ex ante* hamburger are indeed greater than zero, in that there are alternatives forgone when one devotes resources in this direction (e.g., that cannot be invested for other opportunities). However, the same does not apply to *ex post* or already cooked burgers, for example the ones waiting for purchase at McDonald's, between the time they are placed on the shelf and when someone purchases them. Indeed, not only are the costs of these foodstuffs not greater than zero, they are not even *equal* to zero. Instead, they have a negative value, in that it costs something positive to dispose of them. This means that rather than placing the hamburger in category A, it must be relegated to C, along with all other goods which are nonrivalrous. But the excludability of this fast food item can also be called into question. Yes, if I eat it, then, by definition, you cannot avail yourself of it. But there is "many a slip between cup and lip," and also between purchase and actual consumption. How many children (mainly in public schools, not private ones) have been forced to give their lunch up to the playground bully? In all of these cases, the nonpayers (e.g., the bullies) have *not* been excluded from enjoying the good in question. Thus, the burger moves not only from A to C, but also from A to B, whereupon it arrives in D.

[24]For further elaboration, see Walter Block, "The Justification of Taxation in the Public Finance Literature: An Unorthodox View," *Journal of Public Finance and Public Choice* 3 (Fall 1989): 141–58; idem, "Canadian Public Finance Texts Cannot Justify Government Taxation: A Critique of Auld and Miller; Musgrave, Musgrave, and Bird; McCready; and Wolf," *Canadian Public Administration* 36, no. 2 (Fall 1993): 225–62.

In like manner, we can collapse B into D. All we need note is that there are more costs to traffic than crowding costs. The average truck carries many tons of weight, both in its frame and in its cargo bay. This negatively impacts the roadbed even in nonpeak load conditions, at great expense in terms of repairs and replacement, all of which further slows down all travelers. And yes, to be sure, at off-peak hours no motorist retards the speed of any other on *average*, but suppose you get stuck behind a slowpoke at 3 A.M. on a one-lane road when it is otherwise empty. You are still victimized by the costs of a slower trip.

Yes, nonsubscribers can be excluded from pay TV, but only at a cost (which is a function of the "arms" race between "offensive" [e.g., hacker] and "defensive" [property owner] electronic technology). This cost can vary further, depending upon the honesty of the populace, the ease of constructing counterfeit descramblers, and satellite-dish technology. Conceivably, this can be extensive.

Even if we for the moment accept the coherence of these distinctions, there are difficulties with B and C. The assumption of most economists who buy into this model is that even though there are four separate categories, they do not at all account for an equal 25 percent of the entire GDP. Rather, for most commentators, A contains the overwhelming majority of goods and services, D encompasses little if anything more than national defense and lighthouses, while B and C even together are far smaller than A.

However, it is possible to expand the coverage of B and C in the direction of D. For example, it might be claimed that marginal cost equals zero in cases where the entire stock is not sold or rented, e.g., where there are vacancies or excess supplies. It is of course true that surpluses tend to be diminished by the falling prices they themselves engender, but this process never works perfectly. We are never at full equilibrium. There are vacant seats in most movie theaters, ballparks, rock concerts, circuses, airline flights, and classrooms, and empty spaces in hotels, apartment houses, office buildings, shopping malls, and

industrial parks. Given, then, that A, B, and C can be reduced to D, we must confine our further critical comments to the latter.

One basic difficulty with the entire public-goods schema is that whether or not there are costs at all, and whether or not they are positive or negative if they exist at all, is entirely a subjective matter.[25] Costs, essentially, are opportunities forgone; specifically, the next best alternative not chosen. Who but the chooser himself can ever be acquainted with any such thing? Certainly not the outside observer-mainstream economist, the one responsible for the public-goods dogma in the first place.

Another fundamental error concerns exclusion. It is a basic axiom of economics that private enterprise can be counted upon, *ceteris paribus*, to accomplish any task more easily, effectively, and cheaply than government. The market tends to "weed out" the creator of Edsels, for example. This tendency is greatly attenuated to say the least—and virtually nonexistent, to be more accurate—in the public sector. The public-goods argument, illustrated by this four-part matrix, claims that excludability is an important criterion of whether a task should be relegated to the market or government. Yet the ability of the market to exclude nonpayers (or to do anything else) is very different than that which prevails for the state. We arrive, then, at the circular reasoning that, since it would be very costly or impossible for the *government* to prevent noncustomers from enjoying a good or service, therefore it is justified that this selfsame entity, the state, provide it in the first place. To see the fallacy behind this argument, we could start off from the very opposite direction. That is, since it is easy for the private entrepreneur to exclude, this wipes out categories B and D in one fell swoop. Excludability, that is, is a function of markets in the first place; it is thus illegitimate to use this concept as a stick with

[25]James M. Buchanan and G.F. Thirlby, *L.S.E. Essays on Cost* (New York: New York University Press, 1981); James M. Buchanan, *Cost and Choice: An Inquiry into Economic Theory* (Chicago: Markham, 1969); Mises, *Human Action*; Rothbard, *Man, Economy, and State.*

which to beat the market, since the inability to exclude is a government, not a market, failure.

It is a mistake to count the lighthouse as a pure public good in category D.[26] The private lighthouse owner had a credible threat to hold over the head of the boat owner who refused to pay the fee: the next time he was in need of this service, it would be turned off if there were no other ships in the area. The nonpayers could of course try to ride on the "coattails" of others in the industry. But this would unduly increase the risks of collision, either with other vessels or with rocks on shore. Further, the nonpayer would have to tailor his schedule to match those of other travelers, which might be more costly than the lighthouse fee. Alternatively, he could trim his sails to try to disguise himself as another boat. This, too, however, would be expensive and even dangerous. And, in the era of steamships, this became all but impossible.

Also ignored is the phenomenon of "internalizing externalities." The problem with the lighthouse is that there is a vast unowned resource interfering with the analysis of markets. To wit, the ocean has not yet been fully privatized. Were this to occur,[27] the owner would likely provide lighthouses in much the

[26]Ronald H. Coase, "The Lighthouse in Economics," *Journal of Law and Economics* 17 (1974): 357–76; for a critique of the former, see David E. Van Zandt, "The Lessons of the Lighthouse: 'Government' or 'Private' Provision of Goods," *Journal of Legal Studies* 23, no. 1 (1993): 47–72; for a criticism of both previously mentioned articles, see William Barnett and Walter Block, "Coase and Van Zandt on Lighthouses" (unpublished manuscript, 2003).

[27]Walter Block, "Institutions, Property Rights and Externalities: The Case of Water Quality," *Agriculture and Water Quality: Proceedings of an Interdisciplinary Symposium*, Murray H. Miller, J.E. FitzGibbon, Glenn C. Fox, R.W. Gillham, and H.R. Whiteley, eds. (Guelph Center for Soil and Water Conservation: University of Guelph Press, 1992), pp. 191–208; Roy Whitehead, Catherine Gould, and Walter Block, "The Value of Private Water Rights: From a Legal and Economic Perspective," *Albany Law Environmental Outlook Journal*

same manner as other entrepreneurs (e.g., grocers, bowling-alley owners) commonly offer lighting services to their customers.

In a similar vein, some economists claim that street lighting is a pure public good, to be placed in D, since it is well nigh impossible to restrict this service to those pedestrians who pay for it. The simple answer is to make it a package deal: combine access to the sidewalk with the lighting, and charge for *both.* Restaurant owners, after all, never charge separately for lighting; this is figured into the price of the meal. And as to restricting entry to sidewalks to customers, it may well be that when all such thoroughfares are privatized, access to them will be offered for free, as a loss leader, in exactly the same manner that mall owners do not now charge for use of their passage ways.[28]

What of national defense? With these preliminary remarks, we are now ready to tackle this challenge. First of all, it is relatively easy to exclude nonpayers from these sorts of benefits.[29]

(forthcoming); Roy Whitehead and Walter Block, "Environmental Takings of Private Water Rights: The Case for Full Water Privatization," *Environmental Law Reporter* (October 2002): 11162–76.

[28]Indeed, the very opposite is the case. In the Edmonton Mall, located in frozen northern Alberta, the facility opens up early, before the stores are even ready for business, solely for the convenience of joggers. (There are even quarter-mile markings for their convenience.) The hope, presumably, is that those who make use of these inner "streets" will later come back to shop.

[29]We now assume this for the sake of argument. This is debatable not only because of subjectivity, but also due to the fact that governments have killed more of their citizens than have died in wars. On this, see R.J. Rummel *Death By Government* (New Brunswick, N.J.: Transaction Publishers, 1996), who calculates the total number of noncombatants killed by their own governments during this century as 169,198,000. See also *The Black Book of Communism: Crimes, Terror, Repression*, Stephane Courtois, Nicolas Werth, Jean-Louise Pauné, Andrzej Paczkowski, Karel Bartošek, and Jean-Louis Margolin, eds. (Cambridge, Mass.: Harvard University Press, 1999); Robert Conquest, *The Great Terror* (Edmonton, Alberta: Edmonton University

All that need be done is for the Acme private defense company to issue signs to its clients, a large plaque for their homes, stores, and factories, and a small lapel version for their persons. Any person or property not sporting one of these (it would be fraudulent, and punishable by law, to counterfeit these posters) would be "fair game," as far as this protection agency is concerned. The corporation may even go so far as to tell the Cubans, or the Russians, or the Ayatollah—whoever is the "bad guy" *du jour*—that Jones has not paid for protection, and thus if he or his property is attacked, no resistance will be offered by this particular private police force.[30] Of course, it would be illicit for Acme to demand of Jones that he pay them under the threat that they themselves will engage in an uninvited border crossing against him. Were Acme to do *this*, it would sink to the level of a governmental protection racket.

Another sort of privatization would likely occur[31] as the same sort of "package deal" that tied together street, highway, and sidewalk usage, along with lighting. Under a system of pure laissez-faire capitalism, all property (no exceptions) would be

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Press, 1990); idem, *The Harvest of Sorrow* (New York: Oxford University Press, 1986).

[30]Jones of course may employ another firm for this purpose, or engage in self-help to ward off his enemies. In an era with no gun controls, it would be a brave criminal indeed who would attack him with impunity.

[31]It is very difficult to anticipate how a market would work in an arena from which it has long been banished. We can only speculate as to the free functioning of this industry. It is as if bananas were always provided for by the government, and now some radical was advocating the privatization of this product. The questions and objections would come thick and fast: Who would sell them? How many banana stands would there be on each block? How would their easy rotting be prevented? How would the poor be able to obtain bananas? Would they be sold in bunches or individually? We can look askance at all such remonstrances based on the hindsight afforded us by an actually functioning banana industry. Some countries are not so fortunate.

privately owned. This includes, preeminently, roads, highways, and streets.[32] Who, then, will protect people as they go about their daily routines of living at home, commuting back and

[32]For an explication of how this might function, see Walter Block, "Public Goods and Externalities: The Case of Roads," *Journal of Libertarian Studies* 7, no. 1 (Spring 1983): 1–34; Walter Block, "Roads, Bridges, Sunlight and Private Property: Reply to Gordon Tullock," *Journal des Economistes et des Etudes Humaines* 8, no. 2/3 (June–September 1998): 315–26; Walter Block and Matthew Block, "Roads, Bridges, Sunlight and Private Property Rights," *Journal Des Economistes Et Des Etudes Humaines* 7, no. 2/3 (June–September 1996): 351–62; Walter Block, "Road Socialism," *International Journal of Value-Based Management* 9 (1996): 195–207; idem, "Theories of Highway Safety," *Transportation Research Record*, no. 912 (1983): 7–10; idem, "Congestion and Road Pricing," *Journal of Libertarian Studies* 4, no. 3 (Fall 1980): 299–330; idem, "Free Market Transportation: Denationalizing the Roads," *Journal of Libertarian Studies* 3, no. 2 (Summer 1979): 209–38; Michelle Cadin and Walter Block, "Privatize the Public Highway System," *The Freeman* 47, no. 2 (February 1997): 96–97; John M. Cobin, "Market Provisions of Highways: Lessons from Costanera Norte," *Planning and Markets* 2, no. 1 (1999); Gerald Gunderson, "Privatization and the 19th-Century Turnpike," *Cato Journal* 9, no. 1 (Spring/Summer 1989): 191–200; W.T. Jackman, *The Development of Transportation in Modern England* (Cambridge, U.K.: Cambridge University Press, 1916); Dan Klein, "The Voluntary Provision of Public Goods? The Turnpike Companies of Early America," *Economic Inquiry* (October 1990): 788–812; Dan Klein, J. Majewski, and C. Baer, "Economy, Community and the Law: The Turnpike Movement in New York, 1797–1845," *Journal of Economic History* (March 1993): 106–22; Dan Klein, J. Majewski, and C. Baer, "From Trunk to Branch: Toll Roads in New York, 1800–1860," *Essays in Economic and Business History* (Conference Proceedings for the Economic and Business Historical Society, 1993), pp. 191–209; Dan Klein and G.J. Fielding, "Private Toll Roads: Learning from the Nineteenth Century," *Transportation Quarterly* (July 1992): 321–41; Dan Klein and G.J. Fielding, "How to Franchise Highways," *Journal of Transport Economics and Policy* (May 1993): 113–30; Dan Klein and G.J. Fielding, "High Occupancy/Toll Lanes: Phasing in Congestion Pricing a Lane at a Time," *Policy Study*, no. 170, *Reason* (November

forth to their jobs,[33] with daily side trips to stores and movies, weekly ones to bowling alleys, golf courses, and shopping malls, monthly ones to downtown, and annual vacations to faraway places? Why, the *owners* of these amenities, that is who. Remember, unlike at present, wherever a person goes he will *still* be on private property. Each owner thereof will be highly motivated to ensure that no crimes occur on *his* premises, because if they do, there goes the present discounted value of his property.[34]

Moreover, unlike the public police and governmental soldiers, in addition to having a patriotic or *esprit-de-corps* motivation for guarding life and limb, they will also have a financial incentive to do so. It is no accident that the thoroughfares in Disneyland are far safer than those in New York's Central Park. Let one or a few rapes and murders occur in the former establishment, and profits will begin to plummet, as customers stay

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1993); Gabriel Roth, *The Private Provision of Public Services in Developing Countries* (Oxford: Oxford University Press, 1987); idem, *Paying for Roads: The Economics of Traffic Congestion* (Middlesex, U.K.: Penguin, 1967); idem, *A Self-financing Road System* (London: Institute of Economic Affairs, 1966); Murray N. Rothbard, *For a New Liberty* (New York: Macmillan, 1973); William C. Wooldridge, *Uncle Sam the Monopoly Man* (New Rochelle, N.Y.: Arlington House, 1970).

[33]A common ploy of apologists for the state is the claim that just as we need rules of the road, otherwise there would be many fatalities, so do we need governments to set up the "rules," not only for the road, but in general. See for example Geoffrey Brennan and James M. Buchanan, *The Reason of Rules: Constitutional Political Economy* (Cambridge, U.K.: Cambridge University Press, 1985), pp. 7–12. In the context of government roads, there is a certain low cunning to this argument. But the concept of highway privatization shows this line of reasoning for the fallacy that it is.

[34]Edward Stringham, "Market Chosen Law," *Journal of Libertarian Studies* 14, no. 1 (Winter 1998–99): 53–78, shows that the owners of roads, malls, gated communities, and insurance companies, would safeguard those living in or passing through their property, not out of benevolence, but based on profit considerations.

away in droves. Allow a few more, and bankruptcy looms, and with it the threat that the present owners will lose their property to entrepreneurs able to maintain a safety level consistent with a healthy bottom line. In very sharp contrast, when Central Park becomes a quasi militarized zone where criminals run riot, no one in a position to do anything about it loses money. Fees for the upkeep, maintenance, and safeguarding of this park are derived from *taxes*, that is, compulsorily. No bankruptcy is possible. The only feasible remedy is a political one. But for that, the park users may have to wait as long as four years. Even then, they have no way to directly express their dissatisfaction with park safety. They must choose between two mayoral candidates who are responsible for far more than the protection of a few acres of land.

The police, too, instead of confining their activities to guarding innocent people against criminals, actually *themselves* engage in the behavior associated with the latter. First and most basic is that the revenues raised to pay their very salaries and to purchase their uniforms, vehicles, weapons, etc., are based on *compulsion*. To wit, they engage in the very action *against* which they are sworn to protect their "customers." It is hard to imagine a more blatantly self-contradictory system. But in addition to that outrage, they partake in a whole host of ancillary aggression. For example, they arrest people for buying or selling pharmaceuticals that have been arbitrarily declared illegal. They act likewise with regard to capitalist acts between consenting adults concerning sex, reading material, wages, working conditions, hours of labor, building codes, and the list goes on and on. While the police do indeed also spend time stopping murderers, rapists, and robbers, in none of the previously mentioned victimless "crime" cases are they by any stretch of the imagination protecting person or property. Instead, they are interfering still further with private, voluntary contractual arrangements.

Given that it would be feasible for private police to exclude nonpayers or noncustomers from the safety they afford (that is, we must move this service from D to C), what of the other part

of the argument, that concerning rivalrousness? Do cops have a positive marginal cost? (That is, can we also transfer police services from C to A?) A moment's reflection will convince us that we can. For surely a bodyguard can more effectively protect *one* client than he can 100, or 1,000. If so, it costs more to ensure the safety of additional people. Consumers of protection, then, are rivalrous with regard to one another.

When we move from the arena of internal police protection to the external region of armies and international relations, the story is much the same. National defense, too, cannot be categorized in D. It is neither impossible to exclude nonpayers nor it is true that bringing in an additional person under the safety umbrella costs no additional resources. Take the latter claim first. If it were indeed the case that it were costless to protect additional people, once an army and, say, a credible nuclear threat of retaliation, were in place, then Rhode Island alone could fight all our wars. Why bring in additional tax revenues from Texas or Alaska or Hawaii or Florida? They would be unnecessary. Second, in like manner, there would be no reason the entire continents of North and South America could not be safeguarded from external aggression, not by the U.S., which conceivably *is* powerful enough to accomplish this task, but by *any* smaller, weaker political jurisdiction, the international equivalent of Rhode Island—Canada or Uruguay, for example. If these contentions are preposterous, which they are, then the same assessment must be placed on the argument that there are no extra costs for protecting additional people.

Take another case. Suppose two armies invade the U.S. at the same time, one from the Atlantic and the other from the Pacific. Surely our defense forces could do a far better job if they were able to focus their entire attention on only a "one-front" war. That they are charged with the obligation to defend both east and west coasts at the same time cannot help but put a crimp in their overall efforts.

Now consider the former claim. Is it possible to exclude nonclients from protection? It is easy to see this is the case when it comes to conventional weaponry. If no one in Arkansas pays for

protection from Muammar Khadaffi, then the private XYZ firm offering to keep this worthy at bay simply will not interfere with the latter's plan of conquering Arkansas. Instead, XYZ will limit itself to ensuring that this Eastern assassin keeps his mitts off of customers in, say, New York and New Jersey, the areas from whence it draws its revenue. Suppose now that one-third of the inhabitants of Arkansas sign up with XYZ, and that they are spread throughout this state. Again, no problem. The international protection agency borrows a lead from its purely domestic counterpart: it gives out medallions only to its clients, and Khadaffi (as well as local villains) is given to understand that XYZ will look the other way if a *non*customer is attacked.

At first blush it is more difficult to see how this might work with the nuclear umbrella. After all, if a threat of mass assured destruction—if need be—will protect Arkansas from the Russians, those in the surrounding states of Missouri, Tennessee, Mississippi, Louisiana, Texas, and Oklahoma need not help finance the intercontinental ballistic missile system, which is intended to "lob one in to the men's room of the Kremlin." Those cheapskates can allow the Arkansans to do this all by themselves. The problem is, this argument proves far too much. For if their ploy will work for the front-line states contiguous to Arkansas, it will function anywhere in the world. If one can in this way place the sword of Damocles over the head of every Russian in a position of authority (and, of course, all others residing in that country), then there is in principle *no limit* to the demands that may be made of them. There is, then, no reason to confine the nonexcludable area to that surrounding this one state. Theoretically, the entire world is the realm to which the area of nonexcludability extends.[35] If this is so, then there is no case for the defense of the various national governments in the nuclear club constituting public goods in category D. Rather, what we have here is an argument for a world government, encompassing all of the peoples of the earth.

[35]Of course, a similar case obtains with regard to the Russians living in one small area—Moscow, for example.

Voluntary Clubs[36]

In addition to the externalities and public-goods arguments in defense of government, there is also the view that this institution is really part of the market in that it really doesn't initiate violence against its members. Rather, the bottom line is that government is similar to a private club; since the latter is not guilty of the initiation of violence, then neither can this apply to the former. If this is so, then statist-organized national defense is no more problematic than any other private initiative, e.g., a hot dog stand. It is imperative, then, if the argument for government protection is to be critically analyzed, that these claims be exposed for the tissue of fallacies they are.

Consider in this regard the following:

> One way to think of government is that it is like a club. Just as a tennis club exists to advance the interests of its members playing tennis, government exists to advance the common interests of its citizens. The club analogy is also useful in thinking about the question of secession. Just as the right to withdraw from a club, if it no longer serves one's interests, seems reasonable, so too under certain circumstances is the right to secede.
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> The withdrawal of an individual from a club can adversely affect the other club members. Suppose, for example, that the club's facilities were built under the assumption that 1,000 members would cover amortization of construction and maintenance costs. If membership fall below 1,000, the remaining members must pay higher annual fees than originally planned. With this in mind, the founding members of a club may agree to impose a penalty on those who withdraw, or require that

[36]The writing of this section was prompted by discussions with my colleague at the University of Central Arkansas, William H. Friedman.

> they put up a bond to be forfeited upon withdrawal, unless they can find a new member to take their place.[37]

Of course, if the club can determine the penalty to be imposed upon those who secede, it can also, like a government, prohibit this from occurring in the first place.[38]

Another author with similar views is Charles Blankart:

> The state can be viewed as an organization similar to a club. Clubs are formed by individuals who want to pursue a common goal. Similarly a state can be defined as a club formed by citizens, and designed to serve goals that its members have in common, like the provision of public goods such as law and order, national defense, streets and highways, etc.[39]

[37]Dennis C. Mueller, *Constitutional Democracy* (Oxford, U.K.: Oxford University Press, 1996), p. 81. Mueller also writes (p. 301):

> A state is like a club formed to fulfill common interests of its members. Like other clubs it will be better able to fulfill these interests the closer they are in common. Just as the optimal membership of a club is unlikely to include every person who could possibly be a member, the optimal membership (citizenry) of a polity does not necessarily include every person who could possibly be a citizen.

I owe this reference to Ed Stringham.

[38]For the case on behalf of secession, see Robert W. McGee, "The Theory of Secession and Emerging Democracies: A Constitutional Solution," *Stanford Journal of International Law* 28, no. 2 (1992): 451–76; idem, "A Theory of Secession for Emerging Democracies," *Asian Economic Review* 33, no. 2 (August 1991): 245–65; Robert W. McGee and Danny Lam, "Hong Kong's Option to Secede," *Harvard International Law Journal* 33, no. 2 (1992): 427–40; *Secession, State, and Liberty*, David Gordon, ed. (New Brunswick, N.J.: Transaction Publishers, 1999).

[39]Charles B. Blankart, "Club Governments versus Representative Governments," *Constitutional Political Economy* 5, no. 3 (1994): 273. I owe this source to Ludwig Van den Hauwe.

He also delivers himself of this opinion: "A state is a peculiar kind of club in that its dimensions are (generally) defined geographically."[40]

The idea that government is analogous to a private voluntary club—or, better yet, is nothing more or less than a private voluntary club—is widely associated with, or credited to, James Buchanan.[41] We shall, however, pursue Randall Holcombe's version of this doctrine. It is very confused and contradictory, but its twists and turns, its contradictions and obfuscations, can serve as a good foil. Although this author specifically states, "Few people would be willing to argue that the government is nothing more than a large club"[42] —and indeed, this is wildly mistaken—this is *precisely* his view, I shall argue. Only instead of maintaining merely that the state is at bottom a voluntary organization, Holcombe believes, in addition, that voluntary clubs are really coercive!

Exhibit "A" in this contention of mine is his "exchange model of government."[43] Now, for most people, "exchange" implies voluntary interaction. A pie delivery man gives one of his pies to the milk delivery man, and the latter reciprocates, in kind, as the very famous Norman Rockwell drawing illustrates. But Holcombe is having none of this. Instead, he maintains, in an "exchange" scenario from hell:

[40]Ibid.

[41]See James M. Buchanan, "An Economic Theory of Clubs," *Economica* (February 1965): 1–14. This claim is made by Randall G. Holcombe, *The Economic Foundations of Government* (New York: New York University Press, 1994), p. 73; and by Richard Cornes and Todd Sandler, *The Theory of Externalities, Public Goods and Club Goods* (Cambridge, U.K.: Cambridge University Press, 1986), p. 161. (In the view of the latter authors, this attribution should be shared by Mancur Olson, Jr., *The Logic of Collective Action: Public Goods and the Theory of Groups* (New York: Schocken Books, 1971).

[42]Holcombe, *Economic Foundations of Government,* p. 73

[43]Ibid., p. 32.

> One possibility would be for the strong person to enslave the weak one and force the weak person to work for her (*sic*). The strong person is the residual claimant in this case, but . . . the weak person has little incentive to be productive . . . the weak person has no incentive to produce things that he knows will just be stolen from him later . . .
>
> Another possibility from the starting point of anarchy is for the strong person to *agree* to take only a predetermined share of the weak person's output. For example, if both people *agreed* that that weak person would give the strong one-third of his output, both could be better off. The weak person now has an incentive to produce, knowing that he will be able to keep two-thirds of his output, and the strong person gets one-third of the weak person's output. Under anarchy, the weak person would be unlikely to produce anything that could be taken by the strong, reducing the output that could be produced by both persons. The two-person society is more productive, and both people are better off under the *agreement* that the weak person shares a specified percentage of his production with the strong.[44]

The difficulty here, is not that Holcombe ascribes coercion to statist institutions. On the contrary, this is entirely correct. The problem is the perversity of language used to describe such a relationship: in terms of *exchange*[45] and *agreement.* If this be "agreement" it is the "agreement" of the holdup victim to be robbed, rather than shot and then robbed; it is the "agreement" of a woman to be raped, rather than raped and killed, when she really "agrees" to neither. In short, it is no agreement at all. Such confusing language seems almost purposefully obfuscatory.

[44]Ibid., p. 33; emphasis added.

Holcombe goes on to describe government as the "exchange of protection for tribute," and to claim that this "benefits both citizens and their government." The former is merely the idiosyncratic language we have come to expect from this author. When one side "protects" the other from depredations emanating from itself, this is only "protection" in the Mafia or protection-racket sense of that term. It is, to be crystal clear, not protection at all but rather invasion or theft. And to say that both sides of this transaction "benefit" is to add insult to injury. If this were really a mutually beneficial trade, as in the case of the barter of the pie and the bottle of milk, both sides would enter into it voluntarily. But here, as even Holcombe admits, one side enters into the "agreement" under duress. Some contract.[46]

For an author who sees a strong parallel between government and clubs, Holcombe is guilty of a bit of inconsistency. For example, he states,

> If clubs are fundamentally voluntary organizations, then one can have little reason for wanting to interfere with the club's activities. People who do not like the club's activities do not have to join. If governments a(re) (*sic*) fundamentally coercive organizations that force people to abide by the government's rules, then everyone in the group has an interest in the government's activities.[47]

[45]Ibid., p. 36; emphasis added.

[46]One more example of Holcombe's internal inconsistency: He maintains (p. 34) that "no rights have been established . . . in anarchy." But if so, how can any "stealing" take place? For surely theft is a concept dependent upon there being *rights* in existence. If none exist, then by definition it is impossible for there to be *stealing.* All such acts would have to be described as "transfers" of goods, or some such, from one person to another. If no rights have been established in anarchy, what, then, gives anyone the *right* to leave this state of affairs, and to set up a government? With no rights at all, it would appear that any such action should be precluded.

[47]Ibid, p. 72.

But this is more than passingly curious. He just finished admitting that governments are indeed coercive, in that they force people into "contracts" with them. Why the delicacy here? Second, parallel construction would have forced him to conclude the quote above, not as he did, but rather by saying, "then everyone in the groups would have much reason for wanting to interfere with the government's activities." Why shrink back from the implications of one's own premises?

Then, too, Holcombe resists the equation of taxation and theft. He states, "Even if one regards taxation as theft, one would hardly say that a thief becomes a government as the result of his thievery."[48] Very much to the contrary, starting from Holcombe's premises, one would be compelled by the laws of logic to assert this very thing, apart from the fact that a government is defined as a thief with legitimacy.[49]

But government, as I say, is not the main problem for Holcombe. At least this author admits, in his own befuddled language, that the government is indeed guilty of threatening violence against the citizens unless they "agree" to pay tribute,[50] even though he fails to fully carry through on this insight.

[48]Ibid., p. 73.

[49]See on this Murray N. Rothbard, *For a New Liberty*, p. 51, who states that "anyone who persists in thinking of taxation as in some sense a 'voluntary' payments can see what happens if he chooses not to pay." Holcombe, *Economic Foundations of Government* (p. 83), takes Rothbard (*For a New Liberty*) to task for "exempt[ing] criminals from the realm of government." He does not appear to realize that for Rothbard, there is simply no difference at all between a robber gang and a government, apart from the better public relations of the latter, courtesy in large part of suborning the intellectual classes.

[50]When the Barbary pirates demanded agreement to this sort of thing, the cry went out, "millions for defense, not a penny for tribute." In Holcombe's exasperating terminology, this would not be wise or unwise, just or unjust, but rather completely incomprehensible.

In contrast, the real difficulty is that Holcombe sees coercion in voluntary organizations such as clubs. Take what some would consider as the rather inoffensive bridge club, which provides that its members host the meeting once per month:

> The bridge club taxes its members by requiring that they pay for refreshments every fourth week. There is also a certain amount of work involved in hosting the group, such as setting up a place to play, preparing refreshments . . . and cleaning up afterwards. This forced labor is similar in concept to a military draft.[51]

This author would not like to be interpreted as seriously maintaining that the bridge club is coercive. This, it might be thought, is too contrary to common sense, even for him. Instead, he might like to be interpreted as merely using this example as an entering wedge, to show that there is no real difference in principle between coercive and voluntary arrangements. He specifically states that there is a "continuum from clubs to governments,"[52] but he cannot be allowed to escape that easily. For Holcombe maintains in effect that the bridge club is *partially* coercive.[53] But this is a monstrous and presumably purposeful use of misleading language, at least on the part of a native speaker of English. If the bridge club, forsooth, is a coercive institution, even partially so, then there is no hope at all for clarity in this field.

His heavy artillery in this regard is the distinction—or, rather, lack of distinction—between the neighborhood association swimming pool, which arises out of covenant, or contract, and the municipal pool, which is of course based on taxation. He is fooled by the superficial similarities in the two cases into

[51]Holcombe, *Economic Foundations of Government*, p. 75.

[52]Ibid., p. 74.

[53]He makes a similar point (p. 85) with regard to private restaurants that impose dress codes, characterizing this, too, as the use of "coercion." I submit that this is also perverse.

thinking that there is no relevant difference between them. He states:

> Surely the [difference between them] cannot be related to coercion. Both the neighborhood pool organization and the municipal government have the ability to force its residents to contribute to its coffers. In both cases the individual cannot escape the organization without moving away, but in both cases it is possible to move away.[54]

The obvious difference between the two cases, clearly apparent to anyone who understands even a smattering of political philosophy, is that in the former case, the swimming facility is *privately owned*, while in the latter case it is not. According to Holcombe,

> the subdivision was once a farm and was bought by a developer who divided the farm into individual lots and built houses on the lots. In the center of the subdivision the developer built a neighborhood pool.[55]

To avail oneself of access to this facility without paying is thus actually to commit theft of services from the private condominium association which now owns the pool. In very sharp contrast indeed, the municipal pool is under the auspices of the town council. There are no private-property rights involved. Very much to the contrary, there is a local government, with the power to compel citizens who have signed no contract with it whatsoever. This elementary distinction, so basic to public-policy analysis, seems to have entirely escaped notice of this author. According to Schumpeter, "The theory which construes taxes on the analogy of club dues, or of the purchase of the services of, say, a doctor only proves how far removed this part

[54]Ibid., p. 77.
[55]Ibid., p. 76.

of the social sciences is from scientific habits of mind."[56] This reads as if Schumpeter had Holcombe specifically in mind.

That the two establishments have some superficial resemblances to each other cannot be denied. But according to Holcombe's own theory of the creation of the state, individuals came first. Because they suffered under the Hobbesian state of nature, they agreed to "exchange" this state of affairs for one of civilization, and government. But they did *not* agree to any such thing. As Spooner[57] shows, there is simply no evidence for this contention. No one, not under duress, signed any contract inaugurating the government, and no one ever paid any tax on a voluntary basis. This being the case, the status of the government swimming pool, despite outward appearances, is actually entirely different from the purely private one. The government did indeed "exchange" tribute for regularity in theft, but Holcombe is in grave error when he likens this to the private-property relationships underlying the condominium swimming pool.

Even after careful attention, and several rereadings, it is unclear to me whether Holcombe sees small units of government (e.g., towns and villages) as voluntary, or private condominium developments as coercive, or both. It is unclear because he prevaricates on these two views.[58] The correct position, I maintain, is that both of these are wrong. That is, government, no matter at how "local" a level, is always coercive. This is the essence of the institution. This holds unless there is unanimous agreement at the outset; but if this is so, then we are no longer discussing statism. Rather, we have edged into

[56]Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper, 1942), p. 198

[57]Lysander Spooner, *No Treason* (Larkspur, Colo.: Pine Tree Press [1870] 1966).

[58]It is thought by wags that the best way to win fame, prizes and recognition in economics is to write unclearly. Keynes is surely a case in point. If so, Holcombe is headed for great celebrity.

the private realm. In sharp contrast, it cannot be doubted that private, voluntary communal arrangements must of necessity be noncoercive. If somehow they are or become coercive, then they are properly to be interpreted as an aspect of the government, not the voluntary sector. Private criminal gangs, individual robbers, and rapists, for instance, are necessarily governmental, albeit unofficial.

Conclusion

We have considered several arguments on behalf of governmentally organized national defense: externalities, public goods, and club theory. We have found all of them wanting. We conclude, therefore, that the case for these institutional arrangements is unproved.

10
Government and the Private Production of Defense

Hans-Hermann Hoppe

> *It is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.*
>
> —Declaration of Independence

I

Among the most popular and consequential beliefs of our age is the belief in collective security. Nothing less significant than the legitimacy of the modern state rests on this belief.

I will demonstrate that the idea of collective security is a myth that provides no justification for the modern state, and that all security is and must be private. First, I will present a two-step reconstruction of the myth of collective security, and at each step I will raise a few theoretical concerns.

The myth of collective security can also be called the Hobbesian myth. Thomas Hobbes, and countless political philosophers and economists after him, argued that in the state of nature, men would constantly be at each others' throats. *Homo homini lupus est.* Put in modern jargon, in the state of nature, a permanent "underproduction" of security would prevail. Each individual, left to his own devices and provisions, would spend "too little" on his own defense, resulting in permanent interpersonal warfare. The solution to this presumably

intolerable situation, according to Hobbes and his followers, is the establishment of a state. In order to institute peaceful cooperation among themselves, two individuals, A and B, require a third independent party, S, as ultimate judge and peacemaker. However, this third party, S, is not just another individual, and the good provided by S, that of security, is not just another "private" good. Rather, S is a *sovereign* and has as such two unique powers. On the one hand, S can insist that his *subjects*, A and B, not seek protection from anyone but him; that is, S is a compulsory territorial monopolist of protection. On the other hand, S can determine unilaterally how much A and B must spend on their own security; that is, S has the power to impose taxes in order to provide security "collectively."

There is little use in quarreling over whether or not man is as bad and wolf-like as Hobbes supposes, except to note that Hobbes's thesis obviously cannot mean that man is driven only and exclusively by aggressive instincts. If this were the case, mankind would have died out long ago. The fact that he did not demonstrates that man also possesses reason and is capable of constraining his natural impulses. The quarrel is only with the Hobbesian solution. *Given* man's nature as a *rational* animal, is the proposed solution to the problem of insecurity an *improvement*? Can the institution of a state reduce aggressive behavior and promote peaceful cooperation, and thus provide for better private security and protection? The difficulties with Hobbes's argument are obvious. For one, regardless of how bad men are, S— whether king, dictator, or elected president—is still one of them. Man's nature is not transformed upon becoming S. Yet how can there be better protection for A and B, if S must tax them in order to provide it? Is there not a contradiction within the very construction of S as an expropriating property protector? In fact, is this not exactly what is also—and more appropriately—referred to as a *protection racket*? To be sure, S will make peace between A and B, but only so that he himself can rob both of them more profitably. Surely S is better protected, but the more he is protected, the less A and B are protected from attacks by S. Collective security, it would seem, is not better than

private security. Rather, it is the private security of the state, S, achieved through the expropriation, i.e., the economic disarmament, of its subjects. Further, statists from Thomas Hobbes to James Buchanan have argued that a protective state, S, would come about as the result of some sort of "constitutional" contract.[1] Yet who in his right mind would agree to a contract that allowed one's protector to determine unilaterally—and irrevocably—the sum that the protected must pay for his protection? The *fact* is no one ever has![2]

Let me interrupt my discussion and return to the reconstruction of the Hobbesian myth. Once it is assumed that, in order to institute peaceful cooperation between A and B, it is necessary to have a state S, a twofold conclusion follows. If more than one state exists—S1, S2, S3—then, just as there can presumably be no peace among A and B without S, so can there be no peace between the states S1, S2, and S3 as long as they remain in a state of nature (i.e., a state of anarchy) with regard to each other. Consequently, in order to achieve *universal* peace, political centralization, unification, and ultimately the establishment of a single world government are necessary.

It is useful to indicate what can be taken as noncontroversial. To begin with, the argument is correct, as far as it goes. If the premise is correct, then the consequence spelled out does follow. The empirical assumptions involved in the Hobbesian account appear at first glance to be borne out by the facts as well. It is true that states are constantly at war with each other,

[1]James M. Buchanan and Gordon Tullock, *The Calculus of Consent* (Ann Arbor: University of Michigan Press, 1962); James M. Buchanan, *The Limits of Liberty* (Chicago: University of Chicago Press, 1975); for a critique, see Murray N. Rothbard, "Buchanan and Tullock's *Calculus of Consent*," in idem, *The Logic of Action II: Applications and Criticisms from the Austrian School* (Cheltenham, U.K.: Edward Elgar, 1995); idem, "The Myth of Neutral Taxation," *The Logic of Action II;* Hans-Hermann Hoppe, *The Economics and Ethics of Private Property* (Boston: Kluwer Academic Publishers, 1993), chap.1.

[2]See on this in particular Lysander Spooner, *No Treason: The Constitution of No Authority* (Larkspur, Colo.: Pine Tree Press, 1966).

and a historical tendency toward political centralization and global rule does indeed appear to be occurring. Quarrels arise only with the explanation of this fact and tendency, and the classification of a single unified world state as an improvement in the provision of private security and protection. There appears to be an empirical anomaly for which the Hobbesian argument cannot account. The reason for the warring among different states S1, S2, and S3, according to Hobbes, is that they are in a state of anarchy *vis-à-vis* each other. However, before the arrival of a single world state, not only are S1, S2, and S3 in a state of anarchy relative to each other but in fact every subject of one state is in a state of anarchy *vis-à-vis* every subject of any other state. Accordingly, just as much war and aggression should exist between the private citizens of various states as between different states. Empirically, however, this is not so. The private dealings between foreigners appear to be significantly less warlike than the dealings between different governments. Nor does this seem to be surprising. After all, state agent S, in contrast to every one of its subjects, can rely on domestic taxation in the conduct of his "foreign affairs." Given his natural human aggressiveness, is it not obvious that S will be more brazen and aggressive in his conduct toward foreigners if he can externalize the cost of such behavior onto others? Surely, I would be willing to take greater risks and engage in more provocation and aggression if I could make others pay for it. And surely there would be a tendency of one state—one protection racket—to want to expand its territorial protection monopoly at the expense of other states and thus bring about world government as the ultimate result of interstate competition.[3] But how is this an improvement in the provision of private security and protection? The opposite seems to be the case. The *world state* is the winner of all wars and the last surviving protection racket. Doesn't this make it particularly dangerous?

[3]See Hans-Hermann Hoppe, "The Trouble With Classical Liberalism," *Triple R. Rothbard-Rockwell Report* 9, no. 4 (1998).

Will not the physical power of any single world government be overwhelming as compared to that of any one of its individual subjects?

II

Let me pause in my abstract theoretical considerations to take a brief look at the empirical evidence bearing on the issue at hand. As noted at the outset, the myth of collective security is as widespread as it is consequential. I am not aware of any survey on this matter, but I would venture to predict that the Hobbesian myth is accepted more or less unquestioningly by well over 90 percent of the adult population. However, to believe something does not make it true. Rather, if what one believes is false, one's actions will lead to failure. What about the evidence? Does it support Hobbes and his followers, or does it confirm the opposite anarchist fears and contentions?

The U.S. was explicitly founded as a "protective" state *à la* Hobbes. Let me quote to this effect from Jefferson's *Declaration of Independence:*

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with unalienable rights, that among these are Life, Liberty, and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.

Here we have it: The U.S. government was instituted to fulfill one and only one task: the protection of life and property. Thus, it should provide the perfect example for judging the validity of the Hobbesian claim as to the status of states as protectors. After more than two centuries of protective statism, what is the status of our protection and peaceful human cooperation? Was the American experiment in protective statism a success?

According to the pronouncements of our state rulers and their intellectual bodyguards (of whom there are more than ever before), we are better protected and more secure than

ever. We are supposedly protected from global warming and cooling; from the extinction of animals and plants; from the abuses of husbands and wives, parents and employers; from poverty, disease, disaster, ignorance, prejudice, racism, sexism, homophobia, and countless other public enemies and dangers. In fact, however, matters are strikingly different. In order to provide us with all this "protection," the state managers expropriate more than 40 percent of the incomes of private producers year in and year out. Government debt and liabilities have increased uninterruptedly, thus increasing the need for future expropriations. Owing to the substitution of government paper money for gold, financial insecurity has increased sharply, and we are continually robbed through currency depreciation. Every detail of private life, property, trade, and contract is regulated by ever higher mountains of laws (legislation), thereby creating permanent legal uncertainty and moral hazard. In particular, we have been gradually stripped of the right to exclusion implied in the very concept of private property. As sellers we cannot sell to, and as buyers we cannot buy from, whomever we wish. And as members of associations, we are not permitted to enter into whatever restrictive covenant we believe to be mutually beneficial. As Americans, we must accept immigrants we do not want as our neighbors. As teachers, we cannot get rid of ill-behaved students. As employers, we are stuck with incompetent or destructive employees. As landlords, we are forced to cope with bad tenants. As bankers and insurers, we are not allowed to avoid bad risks. As restaurant or bar owners, we must accommodate unwelcome customers. And as members of private associations, we are compelled to accept individuals and actions in violation of our own rules and restrictions. In short, the more the state has increased its expenditures on "social" security and "public" safety, the more our private property rights have been eroded, the more our property has been expropriated, confiscated, destroyed, or depreciated, and the more we have been deprived of the very foundation of all protection: economic independence, financial strength, and personal

wealth.[4] The path of every president and practically every member of congress is littered with hundreds of thousands of nameless victims of personal economic ruin, financial bankruptcy, emergency, impoverishment, despair, hardship, and frustration.

The picture appears even bleaker when we consider foreign affairs. Never during its entire history has the continental U.S. been territorially attacked by any foreign army. (Pearl Harbor was the result of a preceding U.S. provocation, and the September 11th attacks were carried out by a terrorist organization.) Yet the U.S. has the distinction of having had a government that declared war against a large part of its own population and engaged in the wanton murder of hundreds of thousands of its own citizens. Moreover, while the relations between American citizens and foreigners do not appear to be unusually contentious, almost from its very beginning the U.S. government relentlessly pursued aggressive expansionism. Beginning with the Spanish-American War, culminating in World War I and World War II, and continuing to the present, the U.S. government has become entangled in hundreds of foreign conflicts and risen to the rank of the world's dominant imperialist power. Thus, nearly every president since the turn of the twentieth century has also been responsible for the murder, killing, or starvation of countless innocent foreigners all over the world. In short, while we have become more helpless, impoverished, threatened and insecure, the U.S. government has become ever more brazen and aggressive. In the name of "national" security, it "defends" us, equipped with enormous stockpiles of weapons of aggression and mass destruction, by bullying ever new "Hitlers," big or small, and all suspected Hitlerite sympathizers anywhere and everywhere outside of the territory of the U.S.[5]

[4]See Hans-Hermann Hoppe, "Where The Right Goes Wrong," *Triple R. Rothbard-Rockwell Report* 8, no. 4 (1997).

[5]See John V. Denson, ed., *The Costs of War: America's Pyrrhic Victories* (New Brunswick, N.J.: Transaction Publishers, 1997); idem,

The empirical evidence thus seems clear. The belief in a protective state appears to be a patent error, and the American experiment in protective statism a complete failure. The U.S. government does not protect us. To the contrary, there exists no greater danger to our life, property, and prosperity than the U.S. government, and the U.S. president in particular is the world's single most threatening and armed danger, capable of ruining everyone who opposes him and destroying the entire globe.

III

Statists react much like socialists when faced with the dismal economic performance of the Soviet Union and its satellites. They do not necessarily deny the disappointing facts, but they try to argue them away by claiming that these facts are the result of a systematic discrepancy (deviancy) between "real" and "ideal" or "true" statism (i.e., socialism). To this day, socialists claim that "true" socialism has not been refuted by the empirical evidence, and that everything would have turned out well and unparalleled prosperity would have resulted if only Trotsky's, or Bukharin's, or better still their very own brand of socialism, rather than Stalin's, had been implemented. Similarly, statists interpret all seemingly contradictory evidence as only accidental. If only some other president had come to power at this or that turn in history or if only this or that constitutional change or amendment had been adopted, everything

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"A Century of War: Studies in Classical Liberalism" (Auburn, Ala.: Ludwig von Mises Institute, 1999). Since the end of World War II, for instance, the United States government has intervened militarily in China (1945–46), Korea (1950–53), China (1950–53), Iran (1953), Guatemala (1954), Indonesia (1958), Cuba (1959–60), Guatemala (1960), Congo (1964), Peru (1965), Laos (1964–73), Vietnam (1961–73), Cambodia (1969–70), Guatemala (1967–69), Grenada (1983), Lebanon (1983), Libya (1986), El Salvador (1980s), Nicaragua (1980s), Panama (1989), Iraq (1991–99), Bosnia (1995), Sudan (1998), Afghanistan (1998 and 2002), Yugoslavia (1999), and Iraq (2003). Moreover, the United States government has troops stationed in nearly 150 countries around the world.

would have turned out beautifully, and unparalleled security and peace would have resulted. Indeed, this may still happen in the future, if their own policies are employed.

We have learned from Ludwig von Mises how to respond to the socialists' evasion (immunization) strategy.[6] As long as the defining characteristic—the essence—of socialism, i.e., the absence of the private ownership of factors of production, remains in place, no reform will be of any help. The idea of a socialist *economy* is a *contradiction in terms*, and the claim that socialism represents a "higher," more efficient mode of social production is absurd. In order to reach one's own ends efficiently and without waste within the framework of an exchange economy based on division of labor, it is necessary that one engage in monetary calculation (cost-accounting). Everywhere outside the system of a primitive self-sufficient single-household economy, monetary calculation is the sole tool of rational and efficient action. Only by comparing inputs and outputs arithmetically in terms of a common medium of exchange (money) can a person determine whether his actions are successful or not. In distinct contrast, socialism means to have *no* economy, no economizing at all, because under these conditions monetary calculation and cost-accounting are impossible by definition. If no private property in factors of production exists, then no prices for any production factor exist; hence, it is impossible to determine whether or not they are employed economically. Accordingly, socialism is not a higher mode of production but rather economic chaos and regression to primitivism.

How to respond to the statists' evasion strategy has been explained by Murray N. Rothbard.[7] But Rothbard's lesson, while

[6]Ludwig von Mises, *Socialism* (Indianapolis: Liberty*Classics*, 1981); Hans-Hermann Hoppe, *A Theory of Socialism and Capitalism* (Boston: Kluwer Academic Publishers, 1989), chap. 6.

[7]Murray N. Rothbard, *The Ethics of Liberty* (New York: New York University Press, 1998), esp. chaps. 22 and 23.

equally simple and clear and of even more momentous implications, has remained to this day far less known and appreciated. So long as the defining characteristic—the essence—of a state remains in place, he explained, no reform, whether of personnel or constitution, will be to any avail. Given the principle of government—judicial monopoly and the power to tax—any notion of limiting its power and safeguarding individual life and property is illusory. Under monopolistic auspices the price of justice and protection must rise and its quality must fall. A tax-funded protection agency is a contradiction in terms and will lead to ever more taxes and less protection. Even if a government limited its activities exclusively to the protection of preexisting property rights (as every "protective" state is supposed to do), the further question of *how much* security to provide would arise. Motivated (like everyone else) by self-interest and the disutility of labor but with the unique power to tax, a government's answer will invariably be the same: to *maximize expenditures* on protection—and almost all of a nation's wealth can conceivably be consumed by the cost of protection—and at the same time to *minimize* the *production* of protection. Furthermore, a judicial monopoly must lead to a deterioration in the quality of justice and protection. If one can only appeal to government for justice and protection, justice and protection will be perverted in favor of government—constitutions and supreme courts notwithstanding. After all, constitutions and supreme courts are *state* constitutions and courts, and whatever limitations to government action they might contain is determined by agents of the very institution under consideration. Accordingly, the definition of property and protection will continually be altered and the range of jurisdiction expanded to the government's advantage.

Hence, Rothbard pointed out, it follows that just as socialism cannot be reformed but must be abolished in order to achieve prosperity, so the institution of a state cannot be reformed but must be abolished in order to achieve justice and protection. "Defense in the free society (including such defense services to person and property as police protection and judicial findings)," Rothbard concluded,

> would therefore have to be supplied by people or firms who (*a*) gained their revenue voluntarily rather than by coercion and (*b*) did not—as the State does—arrogate to themselves a compulsory monopoly of police or judicial protection. . . . Defense firms would have to be as freely competitive and as noncoercive against noninvaders as are all other suppliers of goods and services on the free market. Defense services, like all other services, would be marketable and marketable only.[8]

That is, every private property owner would be able to partake of the advantages of the division of labor and seek better protection of his property than that afforded through self-defense by cooperation with other owners and their property. Anyone could buy from, sell to, or otherwise contract with anyone else concerning protective and judicial services, and one could at any time unilaterally discontinue any such cooperation with others and fall back on self-reliant defense or change one's protective affiliations.

IV

Having reconstructed the myth of collective security—the myth of the state—and criticized it on theoretical and empirical grounds, I now must take on the task of constructing the positive case for private security and protection. In order to dispel the myth of collective security, it is not just sufficient to grasp the error involved in the idea of a protective state. It is just as important, if not more so, to gain a clear understanding of how the nonstatist security alternative would effectively work. Rothbard, building on the pathbreaking analysis of the French-Belgian economist Gustave de Molinari,[9] has given us a

[8]Murray N. Rothbard, *Power and Market* (Kansas City: Sheed Andrews and McMeel, 1977), p. 2.

[9]Gustave de Molinari, *The Production of Security* (New York: Center for Libertarian Studies, 1977).

sketch of the workings of a free-market system of protection and defense.[10] As well, we are in debt to Morris and Linda Tannehill for their brilliant insights and analyses in this regard.[11] Following their lead, I will proceed with my analysis and provide a more comprehensive view of the alternative—nonstatist—system of security production and its ability to handle attacks, not just by individuals or gangs but in particular also by states.

Widespread agreement exists among liberal-libertarians such as Molinari, Rothbard, and the Tannehills, as well as most other commentators on the matter, that defense is a form of insurance, and defense expenditures represent a sort of insurance premium (price). Accordingly, as Rothbard and the Tannehills in particular would emphasize, within the framework of a complex modern economy based on worldwide division of labor, the most likely candidates to offer protection and defense services are insurance agencies. The better the protection of insured property, the lower are the damage claims and hence an insurer's costs. Thus, to provide efficient protection appears to be in every insurer's own financial interest. Indeed, although restricted and hampered by the state, even now insurance agencies provide wide-ranging services of protection and indemnification (compensation) to injured private parties. Insurance companies fulfill a second essential requirement. Obviously, anyone offering protection services must appear able to deliver on his promises in order to find clients. That is, he must possess the economic means—the manpower as well as the physical resources—necessary to accomplish the task of dealing with the dangers, actual or imagined, of the real world. On this count insurance agencies appear to be perfect candidates, too. They operate on a nationwide and even an international

[10]Rothbard, *Power and Market*, chap. 1; idem, *For A New Liberty* (New York: Collier, 1978), chaps. 12 and 14.

[11]Morris Tannehill and Linda Tannehill, *The Market for Liberty* (New York: Laissez Faire Books, 1984), esp. part 2.

scale, and they own large property holdings dispersed over wide territories and beyond single state boundaries. Accordingly, they have a manifest self-interest in effective protection, and are "big" and economically powerful. Furthermore, all insurance companies are connected through a network of contractual agreements of mutual assistance and arbitration as well as a system of international reinsurance agencies, representing a combined economic power which dwarfs that of most existing governments.

Let me further analyze and systematically clarify this suggestion: that protection and defense are "insurance" and can be provided by insurance agencies. To reach this goal, two issues must be addressed. First off, it is not possible to insure oneself against every risk of life. I cannot insure myself against committing suicide, for instance, or against burning down my own house, becoming unemployed, not feeling like getting out of bed in the morning, or not suffering entrepreneurial losses, because in each case I have full or partial control over the likelihood of the respective outcome. Risks such as these must be assumed individually. No one but I can possibly deal with them. Hence, the first question must be: what makes protection and defense an insurable rather than an uninsurable risk? After all, as we have just seen, this is not self-evident. In fact, does not everyone have considerable control over the likelihood of an attack on and invasion of his person and property? Do I not deliberately bring about an attack by assaulting or provoking someone else, for instance, and is not protection then an uninsurable risk, like suicide or unemployment, for which each person must assume sole responsibility?

The answer is a qualified yes and no. Yes, insofar as no one can possibly offer *un*conditional protection, i.e., insurance against any invasion whatsoever. That is, unconditional protection can only be provided, if at all, by each individual on his own and for himself. But the answer is no, insofar as *conditional* protection is concerned. Only attacks and invasions that are provoked by the victim cannot be insured. Unprovoked and

thus "accidental" attacks can be insured against, however.[12] That is, protection becomes an insurable good only if and insofar as an insurance agent contractually restricts the actions of the insured so as to exclude every possible "provocation" on their part. Various insurance companies may differ with respect to the specific definition of provocation, but there can be no difference between insurers with regard to the principle that everyone must systematically exclude (prohibit) all provocative and aggressive action among its own clients.

As elementary as this first insight into the essentially defensive—nonaggressive and nonprovocative—nature of protection-insurance may seem, it is of fundamental importance. For one, it implies that any known aggressor and provocateur would be unable to find an insurer, and hence, would be economically isolated, weak, and vulnerable. On the other hand, it implies that anyone wanting more protection than that afforded by self-reliant self-defense could do so only if and insofar as he submitted himself to specified norms of nonaggressive, civilized conduct. Further, the greater the number of insured people—and in a modern exchange economy most people want more than just self-defense for their protection—the greater would be the economic pressure on the remaining uninsured to adopt the same or similar standards of nonaggressive social conduct. Moreover, as the result of competition between insurers for voluntarily paying clients, a tendency toward falling prices per insured property values would come about.

[12]On the "logic" of insurance, see Ludwig von Mises, *Human Action*, Scholar's Edition (Auburn, Ala.: Ludwig von Mises Institute, 1998), chap. 6; Murray N. Rothbard, *Man, Economy, and State* (Auburn, Ala.: Ludwig von Mises Institute, 1993), pp. 498 ff.; Hans-Hermann Hoppe, "On Certainty and Uncertainty, Or: How Rational Can Our Expectations Be?" *Review of Austrian Economics* 10, no. 1 (1997); also Richard von Mises, *Probability, Statistics and Truth* (New York: Dover, 1957); Frank H. Knight, *Risk, Uncertainty, and Profit* (Chicago: University of Chicago Press, 1971).

At the same time, a system of competing insurers would have a twofold impact on the development of law and thus contribute further to reduce conflict. On the one hand, the system would allow for systematically *increased variability and flexibility of law.* Rather than imposing a uniform set of standards onto everyone (as under statist conditions), insurance agencies could and would compete against each other, not just via price but in particular also through product differentiation and development. Insurers could and would differ and distinguish themselves with respect to the behavioral code imposed on and expected of their clients, with respect to rules of evidence and procedure and/or with respect to the sort and assignment of awards and punishments. There could and would exist side by side, for instance, Catholic insurers applying Canon law, Jewish insurers applying Mosaic law, Muslims applying Islamic law, and nonbelievers applying secular law of one variant or another, all of them sustained by and vying for a voluntarily paying clientele. Consumers could and would choose, and sometimes change, the law applied to them and their property. That is, no one would be forced to live under "foreign" law; and hence, a prominent source of conflict would be eliminated.

On the other hand, a system of insurers offering competing law codes would promote a tendency toward the *unification of law.* The "domestic"—Catholic, Jewish, Roman, Germanic, etc.—law would apply and be binding only on the persons and properties of the insured, the insurer, and all others insured by the same insurer under the same law. Canon law, for instance, would apply only to professed Catholics and would deal solely with intra-Catholic conflict and conflict resolution. Yet it would also be possible for a Catholic to interact, come into conflict with, and wish to be protected from the subscribers of other law codes, e.g., a Muslim. From this no difficulty would arise so long as Catholic and Islamic law reached the same or a similar conclusion regarding the case and contenders at hand. But if competing law codes arrived at distinctly different conclusions (as they would in at least *some* cases by virtue of the fact that they

represent *different* law codes) a problem would arise. The insured would want to be protected against the contingency of intergroup conflict, too, but "domestic" (intragroup) law would be of no avail in this regard. In fact, at a minimum, two distinct "domestic" law codes would be involved, and they would come to different conclusions. In such a situation it could not be expected that one insurer and the subscribers of his law code, say the Catholics, would simply subordinate their judgment to that of another insurer and his law, say that of the Muslims, or vice versa. Rather, each insurer—Catholic and Muslim alike—would have to contribute to the development of intergroup law, i.e., law applicable in cases of disagreement among competing insurers and law codes. And because the intergroup law provisions that an insurer offered to its clients could appear credible to them—and hence a *good*, only if and insofar as the same provisions were also accepted by other insurers (and the more of them, the better)—competition would promote the development and refinement of a body of law that incorporated the widest—intergroup, cross-cultural, etc.—legal-moral consensus and agreement and thus represented the greatest common denominator among various competing law codes.[13]

More specifically, because competing insurers and law codes could and would disagree regarding the merit of at least *some* of the cases brought jointly before them, every insurer would be compelled to submit itself and its clients in these cases from the outset to arbitration by an independent third party. This third party would not just be independent of the two disagreeing parties, however. It would at the same time be the unanimous choice of both parties. And as objects of *unanimous choice*, arbitrators then would represent or even personify "consensus" and "agreeability." They would be agreed upon because of their commonly perceived ability of finding and formulating mutually agreeable, i.e., "fair," solutions in cases of intergroup disagreement. Moreover, if an arbitrator failed in this task and arrived at

[13]See on this Hans-Hermann Hoppe, *Eigentum, Anarchie und Staat* (Opladen: Westdeutscher Verlag, 1987), pp. 122–26.

conclusions that were perceived as "unfair" or "biased" by either one of the insurers and/or their clients, this person would not likely be chosen again as an arbitrator in the future.

Consequently, protection and security contracts would come into existence as the first fundamental result of competition between insurers for a voluntarily paying clientele. Insurers (unlike states) would offer their clients contracts with well-specified property and product descriptions and clearly defined and delineated duties and obligations. Likewise, the relationship between insurers and arbitrators would be defined and governed by contract. Each party to a contract, for the duration or until fulfillment of the contract, would be bound by its terms and conditions; and every change in the terms or conditions of a contract would require the unanimous consent of all parties concerned. That is, under competition (unlike under statist conditions), no "legislation" would or could exist. No insurer could get away (as a state can) with "promising" its clients "protection" without letting them know how or at what price, and insisting that it could, if it so desired, unilaterally change the terms and conditions of the protector-client relationship. Insurance clients would demand something significantly "better," and insurers would comply and supply contracts and constant law, instead of promises and shifting and changing legislation. Furthermore, as a result of the continual cooperation of various insurers and arbitrators, a tendency toward the unification of property and contract law and the harmonization of the rules of procedure, evidence and conflict resolution (including such questions as liability, tort, compensation, and punishment) would be set in motion. On account of buying protection insurance, everyone would become tied into a global competitive enterprise of striving to reduce conflict and enhance security. Moreover, every single conflict and damage claim, regardless of where and by or against whom, would fall into the jurisdiction of one or more specific insurance agencies and would be handled either by an individual insurer's "domestic" law or by the "international" law provisions and procedures agreed upon in advance by a group of insurers, thus assuring (*ex ante*) complete and perfect legal stability and certainty.

V

Now a second question must be addressed. Even if the status of defensive protection as an insurable good is granted, distinctly different forms of insurance exist. Let us consider just two characteristic examples: insurance against natural disasters, such as earthquakes, floods, and hurricanes, and insurance against industrial accidents or disasters, such as malfunctions, explosions, and defective products. The former can serve as an example of group or mutual insurance. Some territories are more prone to natural disasters than others; accordingly, the demand for and price of insurance will be higher in some areas than others. However, every location within certain territorial borders is regarded by the insurer as homogeneous with respect to the risk concerned. The insurer presumably knows the frequency and extent of the event in question for the region as a whole, but he knows nothing about the particular risk of any specific location within the territory. In this case, every insured person will pay the same premium per insured value, and the premiums collected in one time period will presumably be sufficient to cover all damage claims during the same time period (otherwise the insurance industry will incur losses). Thus, the particular individual risks are pooled and insured mutually.

In contrast, industrial insurance can serve as an example of individual insurance. Unlike natural disasters, the insured risk is the outcome of human action, i.e., of production efforts. Every production process is under the control of an individual producer. No producer *intends* to fail or experience a disaster, and as we have seen only accidental—nonintended—disasters are insurable. Yet even if production is largely controlled and generally successful, every producer and production technology is subject to occasional mishaps and accidents beyond his control—a margin of error. However, since it is the outcome (intended or not) of individual production efforts and production techniques, this risk of industrial accidents is essentially different from one producer and production process to another. Accordingly, the risk of different producers and production technologies cannot be pooled, and every producer

must be insured individually. In this case, the insurer will have to know the frequency of the questionable event over time, but he cannot know the likelihood of the event at any specific point in time, except that at all times the same producer and production technology are in operation. There is no presumption that the premiums collected during any given period will be sufficient to cover all damage claims arising during that period. Rather, the profit-making presumption is that all premiums collected over many time periods will be sufficient to cover all claims during the same multi-period time span. Consequently, in this case, an insurer must hold capital reserves in order to fulfill its contractual obligation, and in calculating his premiums he must take the present value of these reserves into account.

The second question is what kind of insurance can protect against aggression and invasion by other actors. Can it be provided as group insurance, as for natural disasters, or must it be offered in the form of individual insurance, as in the case of industrial accidents?

Note that both forms of insurance represent only the two possible extremes of a continuum, and that the position of any particular risk on this continuum is not definitively fixed. Owing to scientific and technological advances in meteorology, geology, or engineering, for instance, risks that were formerly regarded as homogeneous (allowing for mutual insurance) can become more and more dehomogenized. Noteworthy is this tendency in the field of medical and health insurance. With the advances of genetics and genetic engineering—genetic fingerprinting—medical and health risks previously regarded as homogeneous (unspecific) with respect to large numbers of people have become increasingly more specific and heterogeneous.

With this in mind, can anything specific be said about protection insurance in particular? I would think so. After all, while all insurance requires that the risk be accidental from the standpoint of the insurer and the insured, the accident of an aggressive invasion is distinctly different from that of natural or industrial disasters. Whereas natural disasters and industrial

accidents are the outcome of natural forces and the operation of laws of nature, aggression is the outcome of human actions; and whereas nature is "blind" and does not discriminate between individuals, whether at the same point in time or over time, an aggressor can discriminate and deliberately target specific victims and choose the timing of his attack.

VI

Let me first contrast defense-protection insurance with insurance against natural disasters. Frequently an analogy between the two is drawn, and it is instructive to examine if or to what extent it holds. The analogy is that, just as every individual within certain geographical regions is threatened by the same risk of earthquakes, floods, or hurricanes, so does every inhabitant within the territory of the U.S. or Germany, for instance, face the same risk of being victimized by a foreign attack. Some superficial similarity—to which I shall come shortly—notwithstanding, it is easy to recognize two fundamental shortcomings in the analogy. For one, the borders of earthquake, flood, or hurricane regions are established according to objective physical criteria and hence can be referred to as "natural." In distinct contrast, political boundaries are "artificial" boundaries. The borders of the U.S. changed throughout the entire nineteenth century, and Germany did not exist as such until 1871 and was composed of 38 separate countries. Surely, no one would want to claim that this redrawing of the U.S. or German borders was the outcome of the discovery that the security risk of every American or German within the greater U.S. or Germany was, contrary to the previously held opposite belief, homogeneous (identical).

There is a second obvious shortcoming. Nature—earthquakes, floods, hurricanes—is blind in its destruction. It does not discriminate between more and less valuable locations and objects but "attacks" indiscriminately. In distinct contrast, an aggressor-invader can and does discriminate. He does not attack or invade worthless locations and things, like the Sahara Desert, but targets locations and things that are valuable. Other

things being equal, the more valuable a location and an object, the more likely it will be the target of an invasion.

This raises the next crucial question: If political borders are arbitrary and attacks are never indiscriminate but directed specifically toward valuable places and things, are there any nonarbitrary borders separating different security-risk (attack) zones? The answer is yes. Such nonarbitrary borders are those of private property. Private property is the result of the appropriation and/or production of particular physical objects or effects by specific individuals at specific locations. Every appropriator-producer (owner) demonstrates with his actions that he regards the appropriated and produced things as valuable (goods), otherwise he would not have appropriated or produced them. The borders of everyone's property are objective and intersubjectively ascertainable. They are simply determined by the extension and dimension of the things appropriated and/or produced by any one particular individual. And the borders of all valuable places and things are coextensive with the borders of all property. At any given point in time, every valuable place and thing is owned by someone; only worthless places and things are owned by no one.

Surrounded by other men, every appropriator and producer can also become the object of an attack or invasion. Every property—in contrast to things (matter)—is necessarily valuable; hence, every property owner becomes a possible target of other men's aggressive desires. Consequently, every owner's choice of the location and form of his property will, among countless other considerations, also be influenced by security concerns. Other things equal, everyone will prefer safer locations and forms of property to locations and forms that are less safe. Yet regardless of where an owner and his property are located and whatever the property's physical form, every owner, by virtue of not abandoning his property even in view of potential aggression, demonstrates his personal willingness to protect and defend these possessions.

However, if the borders of private property are the only nonarbitrary borders standing in systematic relation to the risk

of aggression, then it follows that as many different security zones as separately owned property holdings exist, and that these zones are no larger than the extension of these holdings. That is, even more so than in the case of industrial accidents, the insurance of property against aggression would seem to be an example of individual rather than group (mutual) protection.

Whereas the accident risk of an individual production process is typically independent of its location—such that if the process were replicated by the same producer at different locations his margin of error would remain the same—the risk of aggression against private property—the production plant—is different from one location to another. By its very nature as privately appropriated and produced goods, property is always separate and distinct. Every property is located at a different place and under the control of a different individual, and each location faces a unique security risk. It can make a difference for my security, for instance, if I reside in the countryside or the city, on a hill or in a valley, or near or far from a river, ocean, harbor, railroad, or street. In fact, even contiguous locations do not face the same risk. It can make a difference, for instance, if I reside higher or lower on the mountain than my neighbor, further upstream or downstream, closer or more distant from the ocean, or simply north, south, west, or east of him. Moreover, every property, wherever it is located, can be shaped and transformed by its owner so as to increase its safety and reduce the likelihood of aggression. I may acquire a gun or safe-deposit box, for instance, or I may be able to shoot down an attacking plane from my backyard or own a laser gun that can kill an aggressor thousands of miles away. Thus, no location and no property are like any other. Every owner will have to be insured individually, and to do so, every aggression insurer must hold sufficient capital reserves.

VII

The analogy typically drawn between insurance against natural disasters and external aggression is fundamentally flawed. As aggression is never indiscriminate but selective and targeted,

so is defense. Everyone has different locations and things to defend, and no one's security risk is the same as anyone else's, yet the analogy contains a kernel of truth. Any similarity between natural disasters and external aggression, however, is due *not* to the nature of aggression and defense but to the rather specific nature of *state* aggression and defense (interstate warfare). As explained above, a state is an agency that exercises a compulsory territorial monopoly of protection and the power to tax, and any such agency will be comparatively more aggressive because it can externalize the costs of such behavior onto its subjects. However, the existence of a state does not just increase the frequency of aggression; it changes its entire character. The existence of states—and especially of democratic states—implies that aggression and defense—war—will tend to be transformed into total—undiscriminating—war.[14]

Consider for a moment a completely stateless world. While most property owners would be individually insured by large, often multinational insurance companies endowed with huge capital reserves, as bad risks most if not all aggressors would be without any insurance whatever. In this situation, every aggressor or group of aggressors would want to limit its targets, preferably to uninsured property, and avoid all "collateral

[14]On the relationship between state and war, and on the historical transformation from limited (monarchical) to total (democratic) war, see Ekkehardt Krippendorff, *Staat und Krieg* (Frankfurt/M.: Suhrkamp, 1985); Charles Tilly, "War Making and State Making as Organized Crime" in *Bringing the State Back In*, Peter B. Evans, Dietrich Rueschemeyer, and Theda Skocpol, eds. (Cambridge, U.K.: Cambridge University Press, 1985); John F.C. Fuller, *The Conduct of War* (New York: Da Capo Press, 1992); Michael Howard, *War in European History* (New York: Oxford University Press, 1976); Hans-Hermann Hoppe, "Time Preference, Government, and the Process of De-Civilization" in *The Costs of War*, John V. Denson, ed. (New Brunswick, N.J.: Transaction Publishers, 1997); Erik von Kuehnelt-Leddihn, *Leftism Revisited* (Washington, D.C.: Regnery, 1990).

damage"; otherwise it would find itself confronted with one or many economically powerful professional defense agencies. Likewise, all defensive violence would be highly selective and targeted. All aggressors would be specific individuals or groups, located at specific places and equipped with specific resources. In response to attacks on their clients, insurance agencies would specifically target these locations and resources for retaliation, and they would avoid any collateral damage as they would otherwise become entangled with and liable to other insurers.

All of this changes fundamentally in a statist world with interstate warfare. If one state, the U.S., attacks another, for instance Iraq, this is not just an attack by a limited number of people, equipped with limited resources and located at a clearly identifiable place. Rather, it is an attack by all Americans and with all of their resources. Every American supposedly pays taxes to the U.S. government and is thus *de facto*, whether he wishes to be or not, implicated in every government aggression. Hence, while it is obviously false to claim that every American faces an equal risk of being attacked by Iraq (low or nonexistent as such a risk is, it is certainly higher in New York City than in Wichita, Kansas, for instance), every American is rendered equal with respect to his own active, if not always voluntary, participation in each of his government's aggressions.

Second, just as the attacker is a state, so is the attacked, Iraq. As its U.S. counterpart, the Iraqi government has the power to tax its population or draft it into its armed forces. As taxpayer or draftee, every Iraqi is implicated in his government's defense, just as every American is drawn into the U.S. government's attack. Thus, the war becomes a war of all Americans against all Iraqis, i.e., total war. The strategy of both the attacker and the defender state will be changed accordingly. While the attacker still must be selective regarding the targets of his attack—if for no other reason than that even taxing agencies (states) are ultimately constrained by scarcity—the aggressor has little or no incentive to avoid or minimize collateral damage. To the contrary, since the entire population and national

wealth is involved in the defensive effort, collateral damage, whether of lives or property, is even desirable. No clear distinction between combatants and noncombatants exists. Everyone is an enemy, and all property provides support for the attacked government. Hence, everyone and everything becomes fair game. Likewise, the defender state will be little concerned about collateral damage resulting from its own retaliation against the attacker. Every citizen of the attacker state is a foe, and all of their property is enemy property, and thus a possible target of retaliation. Moreover, every state, in accordance with this character of interstate war, will develop and employ more weapons of mass destruction, such as atomic bombs, rather than long-range precision weapons, such as an imaginary laser gun.

Thus, the similarity between war and natural catastrophes—their seemingly indiscriminate destruction and devastation—is exclusively a feature of a statist world.

VIII

This brings on the last problem. We have seen that just as all property is private, so is and must all defense be insured individually by capitalized insurance agencies, very much like industrial accident insurance. We have also seen that both forms of insurance differ in one fundamental respect. In the case of defense insurance, the location of the insured property matters. The premium per insured value will be different at different locations. Furthermore, aggressors can move around, their arsenal of weapons may change, and the entire character of aggression can alter with the presence of states. Thus, even given an initial property location, the price per insured value can alter with changes in the social environment or surroundings of this location. How would a system of competitive insurance agencies respond to this challenge? In particular, how would it deal with the existence of states and state aggression?

In answering these questions, it is essential to recall some elementary economic insights. Other things being equal, private property owners generally and business owners in particular

prefer locations with low protection costs (insurance premiums) and rising property values to those with high protection costs and falling property values. Consequently, there is a tendency toward the migration of people and goods from high-risk and falling-property-value areas into low-risk and increasing-property-value areas. Furthermore, protection costs and property values are directly related. Other things being equal, higher protection costs (greater attack risks) imply lower or falling property values, and lower protection costs imply higher or increasing property values. These laws and tendencies shape the operation of a competitive system of insurance-protection agencies.

Whereas a tax-funded monopolist will manifest a tendency to raise the cost and price of protection, private profit-loss insurance agencies strive to reduce the cost of protection and thus bring about falling prices. At the same time, insurance agencies are more interested than anyone else in rising property values because this implies not only that their own property holdings appreciate but that there will also be more of other people's property for them to insure. In contrast, if the risk of aggression increases and property values fall, there is less value to be insured while the cost of protection and price of insurance rises, implying poor business conditions for an insurer. Consequently, insurance companies would be under permanent economic pressure to promote the former favorable and avert the latter unfavorable condition.

This incentive structure has a fundamental impact on the operation of insurers. First, as for the seemingly easier case of the protection against common crime and criminals, a system of competitive insurers would lead to a dramatic change in current crime policy. To recognize the extent of this change, it is instructive to look first at the present and familiar statist crime policy. While it is in the interest of state agents to combat common private crime (if only so that there is more property left for them to tax), as tax-funded agents they have little or no interest in being particularly effective at the task of preventing it, or if it has occurred, at compensating its victims and apprehending and

punishing the offenders. Moreover, under democratic conditions, insult will be added to injury, for if everyone—aggressors as well as nonaggressors and residents of high-crime locations as well as those of low-crime locations—can vote and be elected to government office, a systematic redistribution of property rights from nonaggressors to aggressors and from the residents of low-crime areas to those of high-crime areas comes into effect, and crime will actually be promoted. Accordingly, crime and the demand for private security services of all kinds are currently at an all-time high. Even more scandalously, instead of compensating the victims of crimes it did not prevent (as it should have), the government forces victims to pay again as taxpayers for the cost of the apprehension, imprisonment, rehabilitation, and/or entertainment of their aggressors. And rather than requiring higher protection prices in high-crime locations and lower ones in low-crime locations, as competitive insurers would, the government does the exact opposite. It taxes more in low-crime and high-property-value areas than in high-crime and low-property-value ones, or it even subsidizes the residents of the latter locations—the slums—at the expense of those of the former, eroding the social conditions unfavorable to crime while promoting those favorable to it.[15]

The operation of competitive insurers would present a striking contrast. For one, if an insurer could not prevent a crime, it would have to indemnify the victim. Thus, above all, insurers

[15]On crime and punishment, past and present, see Terry Anderson and P.J. Hill, "The American Experiment in Anarcho-Capitalism: The Not So Wild, Wild West," *Journal of Libertarian Studies* 3, no. 1 (1979); Bruce L. Benson, "Guns for Protection, and other Private Sector Responses to the Government's Failure to Control Crime," *Journal of Libertarian Studies* 8, no. 1 (1986); Roger D. McGrath, *Gunfighters, Highwaymen and Vigilantes: Violence on the Frontier* (Berkeley: University of California Press, 1984); James Q. Wilson and Richard J. Herrnstein, *Crime and Human Nature* (New York: Simon and Schuster, 1985); Edward C. Banfield, *The Unheavenly City Revisited* (Boston: Little, Brown, 1974).

would want to be effective in crime prevention. If they still could not prevent it, they would want to be efficient in the detection, apprehension, and punishment of criminal offenders, because in finding and arresting an offender, the insurer could force the criminal—rather than the victim and its insurer—to pay for the damages and cost of indemnification.

More specifically, just as insurance companies currently maintain and continually update a detailed local inventory of property values, so would they maintain and continually update a detailed local inventory of crimes and criminals. Other things being equal, the risk of aggression against any private property location increases with the proximity and the number and resources of potential aggressors. Thus, insurers would be interested in gathering information on actual crimes and known criminals and their locations, and it would be in their mutual interest of minimizing property damage to share this information with each other (just as banks now share information on bad credit risks with each other). Furthermore, insurers would also be particularly interested in gathering information on potential (not-yet-committed and known) crimes and aggressors, and this would lead to a fundamental overhaul of and improvement in current—statist—crime statistics. In order to predict the future incidence of crime and thus calculate its current price (premium), insurers would correlate the frequency, description, and character of crimes and criminals with the social surroundings in which they occur and operate. And, always under competitive pressure, they would develop and continually refine an elaborate system of demographic and sociological crime indicators.[16] That is, every neighborhood would be described, and its risk assessed, in terms of a multitude of

[16]For an overview of the extent to which official—statist—statistics, in particular on crime, deliberately ignore, misrepresent, or distort the known facts for reasons of so-called public policy (political correctness), see J. Philippe Rushton, *Race, Evolution and Behavior* (New Brunswick, N.J.: Transaction Publishers, 1995); Michael Levin, *Why Race Matters* (Westport, Conn.: Praeger, 1997).

crime indicators, such as the composition of its inhabitants' sexes, age groups, races, nationalities, ethnicities, religions, languages, professions, and incomes.

Consequently, and in distinct contrast to the present situation, all interlocal, regional, racial, national, ethnic, religious, and linguistic income and wealth redistribution would disappear, and a constant source of social conflict would be removed permanently. Instead, the emerging price (premium) structure would tend to accurately reflect the risk of each location and its particular social surrounding, such that one would only be asked to pay for the insurance risk of himself and of that associated with his particular neighborhood. More important, based on its continually updated and refined system of statistics on crime and property values and further motivated by the noted migration tendency from high-risk–low-value (henceforth "bad") to low-risk–high-value (henceforth "good") locations, a system of competitive aggression insurers would promote a tendency toward civilizational progress (rather than decivilization).

Governments—and democratic governments in particular—erode "good" and promote "bad" neighborhoods through their tax and transfer policy. They do so also, and with possibly an even more damaging effect, through their policy of forced integration. This policy has two aspects. On the one hand, for the owners and residents in "good" locations and neighborhoods who are faced with an immigration problem, forced integration means that they must accept, without discrimination, every domestic immigrant, as transient or tourist on public roads, as customer, client, resident, or neighbor. They are prohibited by their government from excluding anyone, including anyone they consider an undesirable potential risk, from immigration. On the other hand, for the owners and residents in "bad" locations and neighborhoods (who experience emigration rather than immigration), forced integration means that they are prevented from effective self-protection. Rather than being allowed to rid themselves of crime through the expulsion of known criminals from their neighborhood, they are forced by

their government to live in permanent association with their aggressors.[17]

The results of a system of private protection insurers would be in striking contrast to these all-too-familiar decivilizing effects and tendencies of statist crime protection. To be sure, insurers would be unable to eliminate the differences between "good" and "bad" neighborhoods. In fact, these differences might even become more pronounced. However, driven by their interest in rising property values and falling protection costs, insurers would promote a tendency to improve by uplifting and cultivating both "good" and "bad" neighborhoods. Thus, in "good" neighborhoods insurers would adopt a policy of selective immigration. Unlike states, they could not and would not want to disregard the discriminating inclinations among the insured toward immigrants. To the contrary, even more so than any one of their clients, insurers would be interested in discrimination, i.e., in admitting only those immigrants whose presence adds to a lower crime risk and increased property values and in excluding those whose presence leads to a higher risk and lower property values. That is, rather than eliminating discrimination, insurers would rationalize and perfect its practice. Based on their statistics on crime and property values, and in order to reduce the cost of protection and raise property values, insurers would formulate and continually refine various restrictive (exclusionary) rules and procedures relating to immigration and immigrants and thus give quantitative precision—in the form of prices and price differences—to the value of discrimination (and the cost of nondiscrimination) between potential immigrants (as high or low risk and value-productive).

Similarly, in "bad" neighborhoods, the interests of the insurers and the insured would coincide. Insurers would not want to suppress the expulsionist inclinations among the insured toward known criminals. They would rationalize such tendencies by

[17]See Hans-Hermann Hoppe, "Free Immigration or Forced Integration?" *Chronicles* (July 1995).

offering selective price cuts (contingent on specific cleanup operations). Indeed, in cooperation with one another, insurers would want to expel known criminals not just from their immediate neighborhood but from civilization altogether, into the wilderness or open frontier of the Amazon jungle, the Sahara, or the polar regions.

IX

What about defense against a state? How would insurers protect us from state aggression?

First, it is essential to remember that governments, as compulsory, tax-funded monopolies, are inherently wasteful and inefficient in whatever they do. This is also true for weapons technology and production, and for military intelligence and strategy, especially in our age of high technology. Accordingly, states would not be able to compete within the same territory against voluntarily financed insurance agencies. Moreover, most important and general among the restrictive rules relating to immigration and designed by insurers to lower protection costs and increase property values would be a rule concerning government agents. States are inherently aggressive and pose a permanent danger to every insurer and insured. Thus, insurers in particular would want to exclude or severely restrict—as a potential security risk—the immigration (territorial entry) of all known government agents, and they would induce the insured, either as a condition of insurance or of a lower premium, to exclude or strictly limit any direct contact with any known government agent, be it as visitor, customer, client, resident, or neighbor. That is, wherever insurance companies operated (in all free territories), state agents would be treated as undesirable outcasts, potentially more dangerous than any common criminal. Accordingly, states and their personnel would be able to operate and reside only in territorial separation from, and on the fringes of, free territories. Furthermore, owing to the comparatively lower economic productivity of statist territories, governments would be continually weakened by the emigration of their most value-productive residents.

Now, what if such a government should decide to attack or invade a free territory? This would be easier said than done! Who and what would it attack? There would be no state opponent. Only private property owners and their private insurance agencies would exist. No one, least of all the insurers, would have presumably engaged in aggression or even provocation. If there were any aggression or provocation against the state at all, this would be the action of a particular person, and in this case the interest of the state and insurance agencies would fully coincide. Both would want to see the attacker punished and held accountable for all damages. But without any aggressor-enemy, how could the state justify an attack, not to mention an indiscriminate attack? And surely it would have to justify it, for the power of every government, even the most despotic one, ultimately rests on opinion and consent, as La Boétie, Hume, Mises, and Rothbard have explained.[18] Kings and presidents can issue an order to attack, of course, but there must be scores of men willing to execute their order to put it into effect. There must be generals receiving and following the order, soldiers willing to march, kill, and be killed, and domestic producers willing to continue producing to fund the war. If this consensual willingness were absent because the orders of the state rulers were considered illegitimate, even the seemingly most powerful government would be rendered ineffectual and would collapse, as the examples of the Shah of Iran and the Soviet Union have illustrated. Hence, from the viewpoint of the leaders of the state, an attack on free territories would be considered extremely risky. No propaganda effort, however elaborate, would make the public

[18]Etienne de la Boétie, *The Politics of Obedience: The Discourse of Voluntary Servitude* (New York: Free Life Editions, 1975); David Hume, "Of the First Principles of Government," in idem, *Essays: Moral, Political and Literary* (Oxford: Oxford University Press, 1971); Ludwig von Mises, *Liberalism: In the Classical Tradition* (San Francisco: Cobden Press, 1985); Murray N. Rothbard, *Egalitarianism as a Revolt Against Nature and Other Essays* (Washington, D.C.: Libertarian Review Press, 1974).

believe that its attack was anything but an aggression against innocent victims. In this situation, the rulers of the state would be happy to maintain monopolistic control over their present territory rather than run the risk of losing legitimacy and all of their power in an attempt at territorial expansion.

As unlikely as this may be, what if a state still attacked and/or invaded a neighboring free territory? In this case, the aggressor would not encounter an unarmed population. Only in statist territories is the civilian population characteristically unarmed. States everywhere aim to disarm their own citizens so as to be better able to tax and expropriate them. In contrast, insurers in free territories would not want to disarm the insured. Nor could they. For who would want to be protected by someone who required him as a first step to give up his ultimate means of self-defense?! To the contrary, insurance agencies would encourage the ownership of weapons among their insured by means of selective price cuts.

In addition to the opposition of an armed private citizenry, the aggressor state would run into the resistance of not only one but in all likelihood several insurance and reinsurance agencies. In the case of a successful attack and invasion, these insurers would be faced with massive indemnification payments. Unlike the aggressing state, however, these insurers would be efficient and competitive firms. Other things being equal, the risk of an attack—and hence the price of defense insurance—would be higher in locations in close proximity to state territories than in places far away from any state. To justify this higher price, insurers would have to demonstrate defensive readiness *vis-à-vis* any possible state aggression to their clients in the form of intelligence services, the ownership of suitable weapons and materials, and military personnel and training. In other words, the insurers would be effectively equipped and trained for the contingency of a state attack and ready to respond with a twofold defense strategy. On the one hand, insofar as their operations in free territories are concerned, insurers would be ready to expel, capture, or kill every invader while trying to avoid or minimize all collateral damage.

On the other hand, insofar as their operations on state territory are concerned, insurers would be prepared to target the aggressor (the state) for retaliation. That is, insurers would be ready to counterattack and kill—whether with long-range precision weapons or assassination commandos—state agents from the top of the government hierarchy of king, president, or prime minister on downward while seeking to avoid or minimize all collateral damage to the property of innocent civilians (nonstate agents). They would thereby encourage internal resistance against the aggressor government, promote its delegitimization, and possibly incite the liberation and transformation of the state territory into a free country.

X

I have come full circle with my argument. First, I have shown that the idea of a protective state and state protection of private property is based on a fundamental theoretical error and that this error has had disastrous consequences: the destruction and insecurity of all private property and perpetual war. Second, I have shown that the correct answer to the question of who is to defend private property owners from aggression is the same as for the production of every other good or service: private property owners, cooperation based on the division of labor, and market competition. Third, I have explained how a system of private profit-loss insurers would effectively minimize aggression, whether by private criminals or states, and promote a tendency toward civilization and perpetual peace. The only task outstanding is to implement these insights: to withdraw one's consent and willing cooperation from the state and to promote its delegitimization in public opinion so as to persuade others to do the same. Without the erroneous public perception and judgement of the state as just and necessary, and without the public's voluntary cooperation, even the seemingly most powerful government would implode and its powers evaporate. Thus liberated, we would regain our right to self-defense and be able to turn to freed and unregulated insurance agencies for efficient professional assistance in all matters of protection and conflict resolution.

11
Secession and the Production of Defense

Jörg Guido Hülsmann

Few people object to the private production of shoes or rock concerts. But almost everybody believes that certain goods cannot be produced on a purely voluntary basis. Cultural goods such as classical music and opera, welfare services, and in particular the definition and enforcement of law have to be entrusted to compulsory organizations like the modern state.

According to a school of laissez-faire economists, this view is unwarranted. These economists argue that purely private production is superior to compulsory schemes in all fields, even in the production of security and defense.[1] Individuals and

[1]See for instance Gustave de Molinari, "De la production de la sécurite," *Journal des Economistes* 8, no. 22 (1849); Murray N. Rothbard, *Power and Market* (Kansas City: Sheed and Andrews, 1977); idem, *For A New Liberty* (New York: Macmillan, 1978); Morris and Linda Tannehill, *The Market for Liberty* (New York: Laissez Faire Books, 1984); Hans-Hermann Hoppe, *A Theory of Socialism and Capitalism* (Boston: Kluwer Academic Publishers, 1989); idem, *The Economics and Ethics of Private Property* (Boston: Kluwer Academic Publishers, 1993); idem, "The Private Production of Defense," *Essays in Political Economy* (Auburn, Ala.: Ludwig von Mises Institute, 1998); Bruce

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voluntary associations of individuals are not only capable of producing all goods and services that governments and other state organizations can produce. In every single case they also achieve *better* results than these organizations.

One practical implication of the works of this school is that government organizations in the field of law enforcement and defense should either be abolished or reformed in such a way that they henceforth operate on purely private terms.

Such reforms may be implemented, theoretically at least, through government organizations themselves. This approach is generally discussed under the headings of privatization, denationalization, desocialization, etc.[2] Another strategy is to

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Benson, *The Enterprise of Law* (San Francisco: Pacific Institute, 1991); St. Blankertz, "Eingreifen statt Übergreifen," in Fritz Fliszar, ed. *Freiheit: die unbequeme Idee* (Stuttgart 1995); idem, *Wie liberal kann Staat sein?* (St. Augustin: Academia, 1997). On denationalizing defense and private armies, see Jeffrey Rogers Hummel, "Deterrence vs. Disarmament: The Practical Considerations," *Caliber* 9, no. 5 (1981); idem, "On Defense," *Free World Chronicle* II, no. 2 (1984); idem, "The Great Libertarian Defense Debate: A Critique of Robert Poole's *Defending a Free Society*," *Nomos* 3, nos. 2 and 3, (1985); idem, "A Practical Case for Denationalizing Defense," *The Pragmatist* 3, nos. 5 and 6 (1986). For historical instances of private law enforcement, see also John C. Lester and D.L. Wilson, *Ku Klux Klan: Its Origin, Growth, and Disbandment* (New York: Neale, 1905); Jeremiah P. Shalloo, *Private Police* (Philadelphia: American Academy of Political and Social Science, 1933); William C. Wooldridge, *Uncle Sam, the Monopoly Man* (New Rochelle, N.Y.: Arlington House, 1970); Joseph R. Peden, "Property Rights in Celtic Irish Law," *Journal of Libertarian Studies* 1, no. 2 (1977): 81–95; Diego Gambetta, *The Sicilian Mafia: The Business of Private Protection* (Cambridge, Mass.: Harvard University Press, 1993); Martin van Creveld, *The Rise and Decline of the State* (Cambridge, U.K.: Cambridge University Press, 1999), chap. 1.

[2]See Murray N. Rothbard, *The Ethics of Liberty*, 2nd ed. (New York: New York University Press), part 5; idem, *For A New Liberty*, chap. 15; Hans-Hermann Hoppe, "De-socialization in a United

abolish government control, without any involvement of government organizations. This approach has only recently caught the attention of economists and other social scientists, who have generally discussed it under the heading of "secession."[3]

Germany," *Review of Austrian Economics* 5, no. 2 (1991); Arthur Seldon, ed., *Re-Privatizing Welfare: After the Last Century* (London: Institute for Economic Affairs, 1996).

[3]This paper was written in the fall of 1999 and first presented to an academic audience in February 2000. Since then, secessionist strategies have been discussed extensively on the Internet, without adding much to science. Among the scientific studies of the political economy of secession, see in particular Hans-Hermann Hoppe, "Against Centralization," *Salisbury Review* (June 1993); idem, "Small is Beautiful and Efficient: The Case for Secession," *Telos* 107 (Spring 1997); idem, "The Economic and Political Rationale for European Secessionism," in David Gordon, ed., *Secession, State, and Liberty* (New Brunswick, N.J.: Transaction Publishers, 1998). See also the other essays collected in this volume. Noteworthy, albeit limited in scope, is James M. Buchanan and R.L. Faith, "Secession and the Limits of Taxation: Toward a Theory of Internal Exit," *American Economic Review* 77, no. 5 (1987). Important works of political philosophy that argue the case for secession are Johann G. Fichte, *Beitrag zur Berichtigung der Urteile des Publikums über die Französische Revolution* (Leipzig: Meiner, [1793] 1922), in particular, chap. 3; Augustin Thierry, "Des Nations et de leurs rapports mutuels," Saint-Aubun, ed., *L'Industrie littéraire et scientifique liguée aavec l'Industrie commerciale et manufacturière* (Paris: Delaunay, 1816); P.E. de Puydt, "Panarchie," *Revue Trimestrielle* (July 1860); Ernest Renan, "Qu'est-ce qu'une nation?" *Œuvres Complètes* (Paris: Calman-Levy, 1947); Ludwig von Mises, *Nation, Staat und Wirtschaft* (Vienna: Manz, 1919), p. 27; idem, *Liberalismus* (St. Augustin: Academia, 1993), pp. 95 ff.; Murray N. Rothbard, "Nations by Consent: Decomposing the Nation-State," *Journal of Libertarian Studies* 11, no. 1 (1994). For discussions of secession from a mainly legal standpoint, see Robert W. McGee, "Secession Reconsidered," *Journal of Libertarian Studies* 11, no. 1 (1994), and Detmar Doering, *Friedlicher Austritt* (Brussels: Centre for the New Europe, 2002). For practical schemes, see Jörn Manfred Zube, *Was muss an den*

But most of these works are rather unsystematic and do not discuss secession from the point of view of economic science.

The present essay is meant to fill this gap. In particular, we will analyze the conditions for successful secession and demonstrate that the most important condition to be met is of an ideological, rather than military, nature. Our study is also a contribution to defense economics, a notoriously unsystematic and underdeveloped part of economic theory, which has neglected the case of secession altogether.

Secession Defined

Secession is commonly understood as a one-sided disruption of bonds with a larger organized whole to which the secessionists have been tied.[4] Thus, secession from a state would mean that a person or a group of persons withdraws from the *state as a larger whole* to which they have been attached.

However, defining the entity from which the secessionists defect as a "larger whole" is not useful and defies common sense. Consider, for example, the case of a tenant, say Smith, who refuses to pay his rent. Even though Smith is but a part of a larger community of landlord and tenants, one would not therefore speak of Smith's action as secession, but rather as a

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Staatsverfassungen geändert werden, damit ein andauernder Friede möglich wird, und wie können dese Reformen durchgesetzt werden? (Berrinia, NSW, Australia: Libertarian Micro-Fiche Publishing, [1962] 1982), and Frances Kendall and Leon Louw, *After Apartheid: The Solution for South Africa* (San Francisco: Institute for Contemporary Studies, 1987).

[4]For example, *Webster's New International Dictionary*, 2nd ed. (Springfield, Mass.: G and C Merriam, 1953) defines secession as "formal separation from an organized body such as a religious community or a federation of states." *The Oxford English Dictionary* (Oxford, U.K.: Oxford University Press, 1971) defines it as the "action of seceding or formally withdrawing from an alliance, a federation, a political or religious organisation, or the like."

breach of contract. The same thing would have to be said about a business division that defects from a firm. Here too the withdrawal would not qualify as an act of secession, but as theft and breach of contract.

It is not useful to classify breaches of contract as secessions because such a definition would be too wide. Our aim is to distinguish disruptions of social bonds that are "good," because they bring about a purely private order, from inherently antisocial "bad" disruptions, such as theft, fraud, murder, and breach of contract. We thus have to come up with a more pertinent definition that reconciles common sense and the purposes of our analysis.

We will use the term secession to denote the disruption of what Mises calls a hegemonic bond, as opposed to the disruption of a contractual bond. As Mises points out:

> There are two different kinds of social cooperation: cooperation by virtue of contract and coordination, and cooperation by virtue of command and subordination or hegemony. . . . In the frame of a contractual society the individual members exchange definite quantities of goods and services of a definite quality. In choosing subjection to a hegemonic body a man neither gives nor receives anything that is definite. He integrates himself into a system in which he has to render indefinite services and will receive what the director is willing to assign to him.[5]

One can further clarify the difference between contractual and hegemonic bonds by taking a closer look at the way by which the Misesian "director" acquires property. There are in fact only two fundamentally distinct ways of acquiring property that already has a rightful owner. *Either* the property is acquired with the consent of its present owner, *or* it is acquired

[5]Ludwig von Mises, *Human Action* (Auburn, Ala.: Ludwig von Mises Institute, 1998), pp. 196–97.

against his will, thus violating his property rights. *Tertium non datur.* In the words of the German sociologist Franz Oppenheimer: Either one uses the economic means of appropriation, or one uses the political means of appropriation.[6] By consenting to the transfer of his property to another person, the present owner renders this transfer definite, whereas all transfers that do not respect his will are thereby indefinite.

Violations of property rights committed by "normal" people are everywhere held in contempt. What murderers, thieves, robbers, etc., do is seen to be incompatible with life in society. By distinct contrast, the "director" violates other persons' property without being considered a criminal. The other members of society—or at least a substantial majority among them—regard his violations of other people's property rights as compatible with civilized intercourse. Therefore, they actively support these activities when they are directed against other persons, and do not obstruct them when they are directed against themselves. This is the nature of the hegemonic bond between the director-ruler and its subjects.

Now, *secession is the one-sided disruption of a hegemonic bond by the subjects.* It thus means two things: (A) the subjects no longer support the ruler's violating property rights of other people, for example, they stop paying taxes or serving the ruler; and (B) they start to resist him when he violates their own or other people's property rights.

Secession is a special subclass of political reform. It is not the rulers who carry out the reform by modifying existing political bonds, but the ruled, who unilaterally abolish these bonds.

[6]See Franz Oppenheimer, *Der Staat (*Berlin: Libertad, 1990), pp. 19 ff. For a detailed and systematic account of the various forms of appropriation see Rothbard, *Ethics of Liberty*, chap. 6; and Hoppe, *Theory of Socialism and Capitalism*, chap. 2. Mises (*Human Action*, pp. 197 ff.) points out that the distinction between contractual and hegemonic bonds (or, economic and political means) is common to all theories of society, and refers in this context to the works of Ferguson, Spencer, Sombart, and Engels.

More precisely, the secessionists abolish the *hegemonic aspect* of existing institutions. For example, in the area of the production of defense, secession does not necessarily mean that a presently existing police force or a presently existing army is dissolved. The police or the army could continue to exist, provided it operates on the basis of purely voluntary bonds with the rest of society. There would then be no more draft, and their monetary proceeds would no longer stem from taxation, etc.

Secession as a Continuum

Secession is not all-or-nothing but covers a whole continuum of disruptions of hegemonic bonds. It may sever only a part of all existing hegemonic bonds, and it may sever geographically unrelated "islands" rather than territories with contiguous and connected borders.[7]

In some historical cases, continuous territories defected from a larger geographical whole—for example, when the U.S. seceded from Great Britain in 1776, the Southern Confederacy from the U.S. in 1861, or satellite states like Estonia, Lithuania, Ukraine, or Armenia from the Soviet Union in the early 1990s.

By contrast, at other times and places, secession was limited to geographical islands within larger territories that continued to maintain the hegemonic bonds. Such was the case, for example, with the seceding Swiss cities and cantons in 1291, which for centuries did not form an integrated territory, or with the Hansa cities, which in their best days were "free," that is, not subject to imperial taxation. Also, throughout the High Middle

[7]On the following examples, see Creveld, *Rise and Decline of the State*. On the politico-aesthetic ideals of contiguity and connectedness of territory, and the importance of this ideal in armed conflict, see Barry Smith, "On Drawing Lines on Maps," in *Spatial Information Theory*, Andrew U. Frank, Werner Kuhn, and David M. Mark, eds. (Berlin: Springer, 1995); idem, "The Cognitive Geometry of War," in *Current Issues in Political Philosophy*, Peter Koller and Klaus Puhl, eds. (Vienna: Hoelder-Pichler-Tempsky, 1997).

Ages, various individual cities—especially in northern Italy but also in Flanders and southern Germany—defected for some time from the Holy Roman Empire. In most cases, they then either were ruled by city patriarchs or became city republics.

The continuum of geographical dispersion of political regimes is best illustrated by the present-day case of Baarle, a Belgian town in the Netherlands. Strikingly, this enclave is not politically homogeneous, but has Dutch enclaves within it, and these in turn have Belgian enclaves in them! Thus, some streets are Dutch and subject to Dutch laws, whereas other streets are Belgian and subject to Belgian laws, and sometimes even the houses on one street belong to different nations and are subject to different laws (they are marked by Dutch and Belgian flags).[8]

Another good illustration of the geographical possibilities for secession is the disintegration of the Frankish Empire in the mid-800s, which established the feudal order so characteristic for the Middle Ages. As a consequence, the German emperors only controlled a few remaining islands of imperial fortresses (the Pfalzen) and monasteries.

Rather than being an exception, hegemonic bonds with islands of territory surrounded by independent territories were in fact the normal case for centuries of Western civilization. By heritage, marriage, purchase, and also by secession, medieval aristocrats would come to own territories that were sometimes dispersed all over Europe. Similarly, dozens of "free" or imperial cities were only subject to the emperor, who was weak almost throughout the entire history of the Empire, and often was surrounded by territories belonging to local aristocrats. This state of affairs was particularly characteristic for Germany until the Thirty Years' War reversed the tendency.

Colonial possessions of European powers in other parts of the world are another example of geographically disconnected territories under common hegemonic bonds. And the process by which, after World War II, most of these territories gained their independence was of course nothing else but secession.

[8]I am indebted to Professor Barry Smith for this example.

Finally, as we have mentioned above, secession does not necessarily mean that *all* the hegemonic ties between the ruler and its reluctant subjects are severed. Here too we face a continuum. Secession might simply mean that the subjects demand lower taxes or refuse to serve in the army of the ruler. It can mean that they do not respect special monopoly privileges granted to certain individuals or groups.

Also, the bonds between governments and their various subjects by no means have to be homogeneous. This is amply illustrated by historical evidence. For example, the Jews in central and eastern Europe for centuries not only suffered but also profited from their particular status, which often granted them some form of moderate territorial sovereignty. The famous "ghettos," far from being institutions of pure oppression, as they are often represented today, were also islands of freedom from some oppressive laws that bound most other citizens. (For example, the ghetto-Jews were exempt from non-Jewish jurisdiction and various forms of taxation.)[9] Another example is the case of soldiers and foreign diplomats, who are commonly subject to a different set of rules than the rest of the population, although in the case of soldiers these ties are both more severe in some respects and more lax in others.[10] Most of these special regimes have not been created by secession. For our purposes, however, it is sufficient to note that such regimes as a matter of fact can exist next to one another, for this proves that such a state of affairs can be a realizable goal of secession.

The only limits for the geographical dispersion of "political" regimes are given by the boundaries of private property.

[9]See Guido Kisch, *The Jews in Medieval Germany: A Study of Their Legal and Social Status* (Chicago: University of Chicago Press, 1942).

[10]J.G. Fichte (*Französische Revolution*, pp. 113–18) discussed such cases under the heading of "States within the state" and he mentioned in particular the following groups being subject to different laws than the rest of the population: the Jews, the military, the nobility, and the Catholic hierarchy.

Theoretically, each property owner—and in particular each landowner—might choose to set up a different set of rules that the users of his property (land) have to respect.[11]

Let us notice in this context that even if I rejected a government only in thought and obeyed it merely out of prudence, this would already be "originary secession" since my brains are undoubtedly part of my property. The government would then no longer control my thoughts, and its control of my behavior would also be diminished.

Even if the ultimate goal of a secessionist movement is the liberation of an integrated territory, the establishment of isolated secessionist strongholds is a first step. Such territorial islands are usually dependent on the exchange of goods and services with other territories. The secessionists are therefore compelled to abolish trade barriers and adopt free-market policies. In so doing, they provide a living example for the beneficial operation of purely voluntary forms of social organization. Since this is the best conceivable advertisement for the idea they stand for, secessionist islands are likely to attract ever more territories to adopt their model and thus close the gaps on the political map.[12]

Benefits of Secession

Before dealing with questions relating to the realization of secessionist urges, let us point out two major advantages of political reform by secession.

First, by its very nature, secession does not transform, but abolishes, hegemonic bonds. All other types of political reform keep these bonds intact and merely modify the way the ruler uses his power. Core organizations like the army, the police

[11]See Rothbard, *For A New Liberty*, chap. 12; Hoppe, "Private Production of Defense"; Werner Habermehl, "Ein Versuch über Monarchie," *eigentümlich frei* 8 (April 1999): 271 ff.

[12]See Hoppe, "Economic and Political Rationale for European Secessionism."

forces, the courts, etc., keep their monopoly, and all competitors are outlawed. As a consequence, in the best of all cases, the reform makes the burden of these monopolies somewhat lighter to bear. More open-minded, tolerant persons replace dictatorially inclined office holders. More acceptable political regimes (in our days, democracies) replace regimes that do not meet the political fashions of the day (in our days, for example, monarchies). However, after the zeal of the reformers has ebbed away, nothing stands in the way of a further expansion of the state's monopoly powers in other areas such as welfare, art, economy, etc.[13] And in many instances even the modest reforms of the existing state organizations come to be redressed after the zeal of the reform generation has ebbed away.

In the worst of all cases, and unfortunately these cases happen to be the majority, the reforms are brought about by the creation of additional hegemonic bonds with a more encompassing political agency (centralization). To get rid of aristocratic privileges, the classical liberals first supported the king against the lesser aristocrats, and then concentrated further powers in the democratic central state to fight all regional and local forms of monarchism and aristocracy.[14] Rather than curbing political power, they merely shifted and centralized it, creating even more powerful political institutions than those they were trying to supersede. The classical liberals thus bought their short-run successes with very burdensome long-run annuities, some of which we have paid in the twentieth century.

[13]Democratic regimes facilitate the expansion of state powers even more than monarchies. See Bertrand de Jouvenel, *Du pouvoir* (Paris: Hachette, 1972); Hans-Hermann Hoppe, *Democracy—The God That Failed* (New Brunswick N.J.: Transaction Publishers, 2001).

[14]See Alexis de Tocqueville, *L'Ancien Régime et la Révolution* (Paris: Calman-Lévy, 1887); de Jouvenel, *Du Pouvoir*; Creveld, *Rise and Decline of the State.*

This is the reason why classical liberalism ultimately failed.[15] It is important to realize that the quick successes of the classical liberals are not unrelated to the totalitarian schemes that plagued the past century. The fundamental fact is that the liberal reforms were not spontaneously adopted by the various local constituencies, but were imposed on them. It is true that this "technique" was very effective in realizing the classical-liberal program all at once in the whole territory controlled by the new democratic central state. Without it, this process would have been gradual, and it would have implied that islands of the *Ancien Régime* would have survived for a very long time. Yet like all mere techniques, this was a two-edged sword that would eventually be turned against life, liberty, and property.[16]

It is not inappropriate to point out an analogy with the laws of the business cycle. Just as business investments unsupported by genuine savings do not spur genuine growth but, after a brief period of growth illusions, lead straight to an economic bust, so the "imposition of liberty" does not create genuine liberty but, after a brief period of liberty illusions, leads straight into totalitarian nightmares.[17]

[15]See Hans-Hermann Hoppe, "The Western State as a Paradigm: Learning from History," *Politics and Regimes. Religion and Public Life* 30 (1997); idem, "The Future of Liberalism: A Plea for a New Radicalism," *Polis* 3, no. 1 (1998); idem, *Democracy—The God That Failed.*

[16]Arguably, in countries like Prussia the *anti*-liberal establishment initially supported the new central state to prevent the emergence of liberal islands, which would have served as bad examples to the rest of the population. (See, for example, the case study by Gerhard Krüger *. . . gründeten auch unsere Freiheit. Spätaufklärung, Freimauerei, preussisch-deutsche Reform, der Kampf Theodor von Schoens gegen die Reaktion* (Hamburg: Bauhütten Verlag, 1978). Needless to say, the new central-state elites eventually overthrew the old establishment.

[17]For a systematic elaboration of this argument in the field of business cycle theory, see Jörg G. Hülsmann, "Toward a General Theory of Error Cycles," *Quarterly Journal of Austrian Economics* 1, no. 4 (1998).

The fact is that neither in Europe nor in the United States of America has classical liberalism managed to establish a public order that effectively safeguarded private property and individual liberty for more than a couple of decades. This contrasts sharply with the Middle Ages, when the Christian religion for centuries circumscribed the duties and rights of all citizens of the prospective City of God. Many writers have observed that the Divine Order enshrined the subjection of the population. It is less often pointed out that it also enshrined the subjection of the rulers. Christianity limited the medieval aristocrats in all their endeavors, and these limitations effectively guaranteed the liberties of the subjects.[18] In Europe, classical liberalism never created deep roots in the first place, and its short-lived blossom started to perish at the end of the nineteenth century, leading shortly after to the well-known socialist schemes of Communism, Fascism, and National Socialism. In the U.S., the unsuccessful War of Secession gave birth to a welfare-warfare state, which has grown steadily ever since.[19] It might be true that the U.S. government cannot yet compare in importance with the German National Socialists or the Russian Bolsheviks as far as its relative internal power is concerned. In absolute terms, however, it has already become the largest and mightiest government the world has ever known, and this supremacy is felt especially in matters of foreign policy and war.[20]

One implication in the field of politics is that current plans to establish liberalism on a global scale through armed forces of international agencies like the U.N. or NATO (see, for example, K. Annan, "Two Concepts of Sovereignty," *The Economist* [November 18, 1999]: 49 ff.) are bound to bring about, not more liberty, but more devastating slavery, at least in the long run.

[18]See Fritz Kern, *Recht und Verfassung im Mittelalter* (Darmstadt: Wissenschaftliche Buchgesellschaft, 1965); and Otto Brunner, *Land und Herrschaft*, 2nd ed. (Munich and Vienna: Rohrer, 1942).

[19]See Gordon, ed., *Secession, State, and Liberty.*

[20]See Robert Higgs, *Crisis and Leviathan* (New York: Oxford University Press, 1987); John V. Denson, ed., *The Costs of War* (New Brunswick, N.J.: Transaction Publishers, 1999).

With hindsight, the real question is not—as most twentieth-century libertarians have assumed—why the happy days of classical liberalism faded away and ushered in a new era of unprecedented government control. The real question is how classical liberalism could flourish even the few decades that it did flourish. The answer is probably related to the time lag required for the new democratic central states to consolidate themselves. The new democratic ways had to penetrate the brains, the new (national) political center stage had to slowly gain its due place in individual consciousness, etc.

Clearly, secession avoids all these fatal long-run consequences of "imposing liberty." It might take a long time before the conditions for successful local secession are given, and secession might then leave many dark (politically unenlightened) spots on the political map. However, at least these reforms would be genuine accomplishments that do not already contain the seeds of their own destruction.

A second and related advantage of secession is that it is the only type of political reform that is not only able to bring about a private-property regime, but that itself respects the principles of this regime. Whereas a government is by its nature a compulsory organization, the organization of the "political means," secession is an activity fully harmonious with the respect of private property and the "economic means." It thus fulfills a major ethical requirement of libertarian reform, namely, that the reform itself should not create new violations of property.[21] And this in turn assures that the new order resulting from secession is more peaceful and viable than any imposed order resulting from standard reforms, which leave the political compound intact.[22]

[21]See Rothbard, *Ethics of Liberty*, part 5.

[22]This is the reason why separatist wars have tended to be pacifying, whereas civil wars for supremacy within the existing state usually lead to the domination of winners over resentful and revengeful losers. For a study comparing contemporary separatist and civil wars, see Alexis Heraclides, "The Ending of Unending Conflicts: Separatist

CONDITIONS FOR SECESSION: BOÉTIE'S LAW

Secession does not lead to war by logical necessity. However, government has an obvious interest in the maintenance of the hegemonic bonds from which it profits. Since it is therefore likely to resist their severance by the use of force, the secessionists must find the means to overcome this resistance.

The paramount technical problem of the secessionists is, of course, that the government is usually far better equipped with arms and machinery needed in violent conflicts. Moreover, the government usually controls most of the existing organizations created for the efficient conduct of violent conflicts (police and military). In short, government enjoys by and large a monopoly of war material and war organizations.[23]

However, these short-run problems can be overcome in due time. Criminals and underground military organizations (for example, the Irish Republican Army, the Rote Armee Fraktion, Action Directe or, before its immersion into the "Palestinian Authority," the Palestinian Liberation Organization) acquire the weapons they need with relative ease on the black market. Foreign governments often support them in this endeavor. Moreover, the very existence of underground military organizations demonstrates that is it possible to build up such structures, especially if foreign powers provide advisers and training

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Wars," *Millenium* 26, no. 3 (1997). I am indebted to Mr. Reinhard Stiebler for bringing this work to my attention.

[23]Max Weber's definition of government stresses this technical aspect. See Weber, "Politik als Beruf," *Schriften zur theoretischen Soziologie, zur Soziologie der Politik und Verfassung* (New York: B. Franklin, 1968), p. 146. Similarly, Mises (*Human Action*, p. 149) defines the state as the "social apparatus of compulsion and coercion." For historical illustrations of the government's monopoly over war equipment, see Ekkehardt Krippendorff, *Staat und Krieg* (Frankfurt/M.: Suhrkamp, 1985).

grounds. And usually such foreign powers exist at all times and all places.[24]

It is true that secessionist forces are not able to build up an industrial base in their home country and therefore have to rely on relatively light weaponry (pistols, guns, machine guns, small cannons, grenades, etc.). They will not be able to enjoy the ready services of tanks and fighter jets, and still less so of combat ships or even large military bases with hospitals, arms depots, etc.

However, heavy weapons and military infrastructure seem to be especially advantageous in armed conflicts between clearly identifiable combatants, each of which has a single organization—as in the case of wars between modern states[25]—whereas they seem to lose their effectiveness in encounters with enemies who lack these features. Famous examples of the failure of modern state armies against such amorphous enemies are: the Vietnam War of the U.S. Army, the Afghanistan War of the Red Army, the U.N. expedition to Somalia, or the attempted first invasion of the Russian army into Chechnya, 1994–96.[26] As this is written, a small group of

[24]Rolf Schroers (*Der Partisan* [Köln: Kiepenheuer and Witsch, 1961]) argues that these "interested third parties" also render the important service of providing political recognition to insurrectionist movements, thus preventing their protagonists from being universally presented as criminals.

[25]Martin van Creveld, *The Transformation of War* (New York: Free Press, 1991, chap. 2) calls such wars "trinitarian wars" that take place in a "Clausewitzian universe," in which a clear-cut distinction between the three groups of civilians, combatants, and political leaders prevails. He argues that the most recent past has brought about a paradigm shift toward nontrinitarian, "low-intensity conflict" in many parts of the world. Carl Schmitt (*Theorie des Partisanen* [Berlin: Duncker and Humblot, 1995], pp. 51, 79, 81 f., 90 ff.) brilliantly anticipated and described this paradigm shift in the early 1960s.

[26]See on these examples Creveld, *Transformation of War*, and Ralph Peters, *Fighting for the Future* (Mechanicsburg, Penn.: Stackpole, 1999). On the bleak prospects for the Russian army in its current second invasion into Chechnya, which started in the fall of

"Hezbollah" warriors has just driven the modern and highly successful Israeli army out of South Lebanon, which it had occupied for twenty years. These cases illustrate that secessionist insurrections are not necessarily doomed to failure for reasons of equipment and organization.

Neither is sheer number a problem. It is true that the secessionists are a minority of the overall population, and they might be a very small minority indeed. But this is the fate of all politically active groups, even of governments themselves. It is a fact that all members of government taken together are at all times and all places a minority, too. Government could not possibly rule if it had to supervise each citizen at every second of every hour. It can only rule because the citizens by and large comply with its commands, so that it can concentrate its energies on combating those few recalcitrant individuals or groups who do not so comply.

This is one of the great political laws: hegemonic bonds exist because a majority voluntarily complies with them. We might call it Boétie's Law, after the sixteenth-century French philosopher Etienne de La Boétie, who expressed the matter succinctly: "It is . . . the inhabitants themselves who permit, or, rather, bring about, their own subjection, since by ceasing to submit they would put an end to their servitude."[27]

In short, it is not the ruler who turns the citizens into subjects. Rather, the people choose to subject themselves to the ruler. The government seems active and the citizens appear to be passive subjects, yet as a matter of fact the subjects alone are the ultimate social agency by virtue of their free decision-making power. And since by virtue of their free will they can bring hegemonic bonds into existence, they can also abolish them by the token of the same liberty.

1999, see Hans Krech, *Der Zweite Tschetschenien-Krieg* (Berlin: Köster, 2002).

[27]Etienne de la Boétie, *The Politics of Obedience* (New York: Free Life Editions, 1975), p. 50.

Why do the citizens choose subjection? Because in their opinion this is the right, or at any rate the best, thing to do under present circumstances. Ideas or opinions that justify the existence of hegemonic bonds are therefore the ultimate foundation of political power. This is why foreign rulers, who had no ideological legitimacy in the eyes of the population, often chose to rule through local vassals who, due to tradition, had such legitimacy. For example, the Romans ruled the Jews through Jewish kings, and the British Empire ruled the huge territory and population of India through local rulers. It is also the reason why modern states have taken particular care to bring organized education (schools, universities) under their control.

In short, government rules by virtue of ideologies that justify hegemonic bonds rather than by sheer force.[28] Thus we see that the single most important factor for the success of secessions is not of a technical nature. Like all transformations of society, secessions are prepared by and depend on previous transformations in the spiritual realm.[29] The real foundation of hegemonic bonds is the ideology that in the eyes of the citizens justifies the actions of their government. Therefore, successful secession presupposes a previous transformation of these political beliefs.

[28]See the classic argument in David Hume, "Of the First Principles of Government," *Essays, Moral, Political, and Literary* (Indianapolis, Ind.: Liberty Fund, 1987).

[29]Few works explore the dissemination of ideas through time and space. For social-science approaches, see Dixon R. Fox, *Ideas in Motion* (New York, 1935); Lymann Bryson, ed., *The Communication of Ideas* (New York: Cooper Square, 1964); Fritz Redlich, "Ideas: Their Migration in Space and Transmittal over Time," *Kyklos* 6, no. 4 (1953); Nathaniel Weyl and Stefan Possony, *The Geography of Intellect* (Chicago: Regnery, 1963); and Barry Smith, "A Theory of Divides" (unpublished manuscript, SUNY at Buffalo, 1999). For a biogenetic approach, see Richard Dawkins, *The Selfish Gene* (Oxford: Oxford University Press, 1976); Richard Brodie, *Virus of the Mind: The New Science of the Meme* (Seattle: Integral Press, 1996); and Susan J. Blackmore, *The Meme Machine* (Oxford: Oxford University Press, 1999).

Conditions for Secession: Genocide and Expulsion

So far we have seen that a *necessary* condition for successful secession is that a substantial majority of the population (what this means may vary according to particular circumstances of time and place) repudiates the hegemonic bonds that they have hitherto accepted.

This does not mean, however, that ideological supremacy in a territory automatically assures the success of the secessionist movement. If the rulers can mobilize enough forces to either kill or expel the rebelling population, then the secessionists might be doomed, too.

Both techniques have been frequently applied in the history of counterinsurgency. Genocide, for example, was inflicted upon the seceding Vendée, where the French Republic within a few months razed over 100 hamlets and villages to the ground.[30] In the twentieth century, it was also the preferred solution of communist regimes to solve their secessionist problems. Outstanding examples are Soviet Russia's extermination of the kulaks and the ravages of the Khmer Rouge in Cambodia.[31] Modern examples for expulsion or "relocation" as a means to combat and prevent secessionist movements include, for example, the case of the Philippines (1901–02), of Malaya (1954–55), and of the former German eastern provinces (which today are parts of Russia, Poland, and the Czech Republic) from which the German population has been

[30]See John Ellis, *A Short History of Guerrilla Warfare* (New York: St. Martin's Press, 1976), p. 58.

[31]See Andrea Graziosi, *The Great Soviet Peasant War: Bolsheviks and Peasants, 1917–1933* (Cambridge, Mass.: Ukrainian Research Institute at Harvard University, 1997); Rudolph J. Rummel, *Death by Government* (New Brunswick, N.J.: Transaction Publishers, 1994); Stéphane Courtois, et. al., *Le livre noir du communisme* (Paris: Robert Laffont, 1997).

expelled in the aftermath of World War II.[32] Right now, plans for the expulsion of Palestinians from Israel are openly discussed in the world press.[33]

Even if the ruler can mobilize sufficient forces to inflict genocide or expulsion on the secessionists, he might choose not to use these forces. Apart from personal scruples, this might be the result of the other (loyal) citizens' unwillingness to support such measures. Also, as far as a population involved in industrial division of labor is concerned, genocide would clearly be economically disastrous for the ruler himself.[34]

Secession and Private Warfare

Let us now assume that the above-mentioned conditions for secession are given. There are a substantial number of secessionists who are no longer willing to endure their hegemonic bonds. These persons no longer regard the rulers as legitimate governors, but as criminal usurpers, and the rulers themselves are either unable or unwilling to expel or slaughter the secessionists.

Now, the armed forces of these rulers are still in place and enforce the population's financial support in the form of taxation. How can this enforcement of the old hegemonic bonds be prevented? Clearly, there is no other solution to this problem but the one applied to prevent all other forms of violations of property: the criminals must be punished for their past deeds

[32]See Alfred-Maurice de Zayas, *A Terrible Revenge: The Ethnic Cleansing of the East European Germans, 1944–1950* (New York: St. Martin's Press, 1994).

[33]See for example Martin van Creveld, "Sharon's Plan is to Drive Palestinians Across the Jordan," *Sunday Telegraph* (28 April 2002); Meron Benvenisti, "Preemptive Warnings of Fantastic Scenarios," *Haaretz* (15 August 2002).

[34]This was the reason why the classical liberals believed that genocidal wars would no longer be waged in an era characterized by an international division of labor. See for example Thierry, "Des Nations et de leurs rapports mutuels," pp. 23 f.

and, through the prospect of punishment, deterred from further aggression. In short, the secessionists have to use force to combat the armed forces.

Initially, they cannot rely on any organization to wage this war since all armed forces (police and military) are monopoly organizations that are "owned" by the ruling government. However, as we have already pointed out and as we will discuss in some more detail below, this is only a temporary problem.

The main problem is a different one. It relates to the nature of the new defense organizations with which the hegemonic forces shall be expelled. Indeed, one has to make sure that all individual and organized war measures on the side of the secessionists are in strict consonance with the very private order that they seek to bring about. They have to respect the private-property rights of all persons involved—be they friends or foes. This is so not only out of ethical concern, but also out of very practical considerations. For if the military organizations that are bound to emerge in the course of the war, some of which will become defense institutions after the war has ended, rely in their operations on violations of property rights, then the seeds of the next hegemony are already sown. At best, then, a new government will replace the old one, and the hegemony remains.

In short, it is imperative that the secessionists' war be a purely private war. From the outset, violations of property rights must not be tolerated, so that the various militias and other organizations do not become tainted with the cardinal sin of establishing hegemonic bonds. This is the only way to ensure that, after the war, they will all be healthy elements of the new private order. Additionally, it will have the effect of winning ever more support for the secession among neutral persons and even among its former enemies.[35]

[35]We cannot here attempt to enumerate the concrete actions, which in private warfare would be permissible in response to given circumstances. Any such investigation will have to start from the general observations by Rothbard (*Ethics of Liberty*, chaps. 12 and 13)

Private warfare does not mean that only *isolated individuals* engage in combat. In fact, it is unlikely that isolated action will play any major role in the secessionists' war, since the cooperative production of defense, like all cooperations, is more physically efficient than isolated production.[36] However, private warfare clearly includes isolated activities of self-defense.

One might wonder whether individual undertakings have even the slightest chance of success against the established forces of the police and army. Yet they do. It is true that they cannot overthrow the police and army all on their own. But they can annoy them, put unexpected obstacles in their way, terrorize them in various manners, and thus disturb them in their tranquility.[37] Given the context we are assuming—namely, that a great number of citizens are in a secessionist mood—it is very unlikely that the police would catch an isolated warrior, because he can rely on a vast network of people willing to provide shelter and other support to persons like himself. This is an important incentive that will stimulate ever more people to become part-time pains in the neck of the police and army.

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and reconsider Augustine's doctrine of just war, and the development it has received in the hands of Aquinas, Grotius, and others. For a survey of current discussions, see James T. Johnson, *Morality and Contemporary Warfare* (New Haven, Conn.: Yale University Press, 1999). It will also benefit from an analysis of historical positive law relating to situations that were more or less similar to private warfare, such as the Spanish *Reglamento de Partidas y Cuadrillas* from December 28, 1808, the Spanish *Corso Terrestre* from April 17, 1809, and the Prussian *Edikt über den Landsturm* from April 21, 1813.

[36]See Mises, *Human Action*, pp. 157 ff.

[37]See the impressive list of expert instruction for "total resistance" in H. v. Dach, *Der totale Widerstand: Kleinkriegsanleitung für jedermann* (Biel: Schweizerischer Unteroffiziersverband, 1958), translated as *Total Resistance: Swiss Army Guide to Guerrilla Warfare and Underground Operations* (Boulder, Colo.: Paladin Press, 1965). Dach is an officer of the Swiss army.

More important than such isolated activities are, of course, the coordinated and organized efforts of secessionist *militias*. They can inflict considerable harm on the unwanted government forces. They can capture enemy forces and disarm them, they can break into arms depots and equip themselves at the government's expense, and they can disrupt the government's communication lines and logistical network. In some cases, they might even manage to control a small territory, but only for a short period of time, since such small units cannot withstand a confrontation with the large masses of the regular army.

Such troops can surely also rely on the willingness of the population to provide them with shelter, food, and other forms of support. Yet it is important to realize that they profit from the population in many more, and more important, ways. The spontaneous help by individual citizens, families, or small groups is indeed of paramount importance for the very *military* operations of the secessionists. We have to bear in mind that the secessionists, at least at the beginning, do not have any kind of organized logistical support or intelligence service. The spontaneous help by the population fills this void by providing the necessary infrastructure: food, shelter, new supplies of ammunition, communication, etc. This spontaneous backing integrates the more or less isolated warriors and militias economically and socially into a larger society. They benefit from the division of labor on a much wider scale and thus immensely increase their productivity.

Although militias are commonly unpaid organizations, it is very conceivable that in the course of time, a body of paid full-time warriors will emerge. This *professionalization* would indeed be a natural step in a growing underground economy, and it would, again, spur the productivity of the secessionist warfare.

One should not expect that all secessionist militias be organized under one single command. Quite to the contrary. The natural thing to happen is for various *independent groups* to form themselves spontaneously. It might be that this is not sufficient to attain all military goals (we will examine this issue below),

but it is certainly a workable procedure. For since these groups have a common goal that they all pursue by the same clearly circumscribed activities (prevention of violations of property by government forces and restitution of property to the rightful owners), *they do not need to be coordinated by command.* As long as they respect private-property rights in all their endeavors, their actions are intrinsically harmonious and cannot possibly contradict one another. Each one of them thus contributes to the common goal, facilitating the tasks of the others.

Hence we see that, even short of the formation of a secessionist army under unified command, the secessionists can create much trouble for the government troops without running any major danger for their lives. The comparatively primitive secessionist warfare in many respects matches and outwits the police and military precisely because it is not just single warriors and small militias who fight the government troops. Rather, it is the whole secessionist movement that engages in the division of labor that sustains their efforts.

The results for the government are by and large devastating. Most important, the costs of controlling the secessionist territories rise astronomically, since small numbers of secessionists typically tie up large occupying forces. For example, after Napoleon had invaded Spain and beaten the regular army, he encountered the fierce resistance of spontaneously organized warriors. Fewer than 50,000 of these famous "guerrillas" engaged up to 250,000 soldiers, or half of his army, which eventually withdrew from Spain. Similarly, Russian partisans engaged up to 20 German divisions in World War II and were thus instrumental in the defeat of the German forces.[38] More recently, in 1960, 20,000 Algerian warriors engaged 400,000 well-trained French soldiers and forced them to withdraw. In our days, 500 Hezbollah warriors are reported to have engaged 20,000 world-class soldiers of the Israeli army, which just withdrew from South Lebanon. Thus it is patent that, even short of

[38]See Schmitt, *Theorie des Partisanen*, pp. 58 f.

military success, secessionists can easily create a situation in which it is simply no longer economically worthwhile to attempt to rule them.

Guerrilla Warfare

The above considerations about the effects of relatively primitive forms of private warfare are by no means a mere intellectual pastime, speculations that could not possibly be applied in the real world. Quite to the contrary, warfare of this sort on a largely private basis has been practiced countless times in the history of mankind. It is "as old as the hills and predates regular warfare."[39] To be sure, it is not generally known as primitive private warfare, but as "partisan warfare," "small war," "guerrilla warfare," or "low-intensity conflict."

Most famous is of course the expression "guerrilla warfare" (from the *guerra de guerrillas* fought by Spanish partisans against Napoleon), which in the second half of the twentieth century has been popularized by *communist* warrior-theoreticians.[40] Yet it was practiced at virtually all times and all

[39]Walter Laqueur, *Guerrilla: A Historical and Critical Study* (Boston: Little, Brown, 1976), p. ix.

[40]In a brilliant discussion of the history of military thought on guerrilla warfare, Walter Laqueur (*Guerrilla*, pp. 100 ff., 326 ff.) points out that guerrilla warfare had received due attention from modern military theoreticians long before guerrilla warfare came to be associated with communist armed insurgency. Indeed, various late eighteenth- and early nineteenth-century theoreticians analyzed the matter in their monographs under the name of "small war" or "partisan war." See, for example, Johann von Ewald, *Treatise on Partisan Warfare* (London: Greenwood, [1785] 1991); W. von Valentini, *Abhandlungen über den kleinen Krieg* (Berlin: Boicke, 1799); C. von Decker, *Der kleine Krieg im Geiste der neueren Kriegsführung* (Berlin, 1821); J.F.A. Le Mière de Corvay, *Des partisans et des corps irréguliers* (Paris: Anselin and Pochard, 1823). Military genius Carl von Clausewitz carefully dealt with the lessons of the g*uerra de guerrillas*, too. In his famous treatise *On War* (New York: Random House, [1943], book 6, chap. 26, and book 8, chap. 6B), he had dealt with the

places, long before the politically fashionable recent guerrilla wars in China, Yugoslavia, Cuba, and Algeria took place. In antiquity, for example, Sparta successfully seceded from the Athenian League, a federation turned nation-state, in the Peloponnesian (guerrilla) War; and Judas Maccabeus fought a guerrilla war against the Syrians. In the Middle Ages, the

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problems of "arming the nation" and "people's war" rather as side issues. However, while in this work, which was published shortly after his death in 1832, Clausewitz probably had to respect the sensibilities of his employer, in the courses that he taught at the Prussian War Academy he lectured extensively on problems of guerrilla warfare. (See his *Schriften-Aufsätze-Studien-Briefe,* W. Hahlweg, ed. [Göttingen, 1966], pp. 226–539.) The first treatise that systematically examined guerrilla warfare's suitability to establish *communist regimes* was probably a 1928 collective volume with contributions from Kippenberger, Wollenberg, Unschlicht, Piatnitzki, Tuchatschewski, and Ho Chi Minh. Two chapters were written by the general staff of the Red Army. The book was published under the pseudonym "A. Neuberg" with the title *Der bewaffnete Aufstand. Versuch einer theoretischen Darstellung* (reprint Frankfurt. *Europäische Verlagsanstalt*, 1971); translated as *Armed Insurrection* (New York: St. Martin's Press, 1970). In more recent times, the works by Ernesto Guevara, *Guerrilla Warfare* (New York: Monthly Review Press, 1961) and Mao Tse-tung, *On Guerrilla Warfare* (New York: Praeger, 1961) received worldwide attention due to their authors' success on the battlefield and stimulated various intellectuals to further analyses; for example, Schroers, *Der Partisan*; Régis Debray, *La critique des armes* (Paris: Seuil, 1974). Carl Schmitt (*Theorie des Partisanen*, pp. 38 ff.) traces the development of the theory of guerrilla warfare from Clausewitz to V.I. Lenin, "Fighting Guerrilla Operations," *Collected Works* (Moscow: Foreign Languages Publishing House, 1930), vol. 10 ; George Sorel, "Réflexions sur la violence," *Mouvement Socialisté* (1906); and Mao (*On Guerrilla Warfare*). Schmitt's account parallels the analysis of Stefan Possony, *A Century of Conflict: Communist Techniques of World Revolution* (Chicago: Regnery, 1953). For further literature see the references in Schmitt, *Theorie des Partisanen*, p. 65, and Creveld, *The Transformation of War.*

Welsh guerrilla resisted for 200 years the Norman invasion, which had previously swallowed England after one decisive battle against King Harold. After centuries-long struggles, guerrilla war was eventually lost in Ireland; it was also waged for decades in Holland in the sixteenth century, and eventually won. More recently, noncommunist guerrilla warfare was practiced during and after the American War of Secession, by Arab rebels under the Englishman T.E. Lawrence against the Turks, and by German SS-troops at the end of World War II and after.[41]

Of all historic forms of military organization, this one best harmonizes with the principles of civil society. Decision-making is decentralized on the level of various militias, which communicate with one another but operate independently. The bonds between them and the population are typically contractual bonds (Mises) or, more precisely, voluntary bonds that link combatants and inhabitants of the seceding territory through a spontaneous network with a common organizational principle: respect and defense of private property.

[41]For general surveys of the history of guerrilla warfare, see Ellis, *A Short History of Guerrilla Warfare*; idem, *From the Barrel of a Gun: A History of Guerrilla Revolutionary and Counter-Insurgency Warfare, from the Romans to the Present* (London: Greenhill Books, 1995); Laqueur, *Guerrilla*; and Anthony James Joes, *Guerrilla Warfare: A Historical, Biographical, and Bibliographical Sourcebook* (London: Greenwood, 1996). On guerrilla warfare in the American War of Secession, see, for example, Rothbard, *Conceived in Liberty*, vol. 4, *The Revolutionary War, 1775–1784* (New York: Arlington House, 1979); Noel C. Fisher, *War at Every Door: Partisan Politics and Guerrilla Violence in East Tennessee, 1860–1869* (Chapel Hill: University of North Carolina Press, 1997); and Sean M. O'Brien, *Mountain Partisans: Guerrilla Warfare in the Southern Appalachians, 1861–1865* (Westport, Conn.: Praeger, 1999). For an account of the post-1865 guerrilla activities of the original Ku Klux Klan, see Lester and Wilson, *Ku Klux Klan*. On the SS Werwolf guerrilla, see Alexander Biddiscombe, *Werwolf! The History of the National Socialist Guerrilla Movement, 1944–1946* (Toronto: University of Toronto Press, 1998).

In distinct contrast to successful conventional warfare, successful guerrilla warfare is thus particularly well-suited to prepare the advent of a purely voluntary society. The hegemonic bonds on which "regular" troops rely (in particular, taxation, inflation, and conscription) are commonly perpetuated after the end of hostilities.[42] By contrast, the very weakness of guerrilla militias taken individually prevents them from abusing their position. As a consequence, there are simply no hegemonic bonds to be perpetuated after the war.

Guerrilla warfare in this century has been predominantly waged by communist insurrectionists. However, this does not contradict our contention that guerrilla warfare is essentially a form of private warfare. It was only *after* their victories that the communists in China, Yugoslavia, Algeria, Cuba, Vietnam, and elsewhere erected compulsory regimes. They *claimed* that these regimes were a natural outgrowth of their guerrilla organizations and that guerrilla warfare was essentially communist warfare. Yet reality was different. Mao Tse-tung and Fidel Castro paid for their supplies in cash.[43] Their recruits were not conscripted but joined them voluntarily. And they were able to rally the population behind them, not so much for their social agendas, but for the fact that, at least initially, they fought foreign enemies (China, Yugoslavia, Algeria) or rulers that were commonly perceived as puppets of foreign governments (Cuba).

[42]See, for example, Jouvenel, *Du pouvoir*; and Higgs, *Crisis and Leviathan.*

[43]In Mao's case this was crucial, since the Chinese government had wrecked the national currency with a huge inflation. The redistributive effects ensuing from the inflation hurt the middle classes and state employees, alienating these pillars of the old regime from the government. See Kia-Ngau Chang, *The Inflationary Spiral: The Experience of China, 1939–1950* (New York: Wiley and Sons, 1958). I am indebted to Mr. Daniel Rosenthal for bringing Chang's work to my attention.

This confirms the broad historical record that the average guerrilla is mainly motivated by *patriotic*, and sometimes nationalistic, motives[44] and that virtually all insurrections are *liberation* movements that seek freedom for their fatherland from undesired rule, often undesired foreign rule.[45] The paramount importance of patriotism and liberty as driving forces of insurrection explains why guerrilla warfare could rally entire populations behind communist insurrections. To be sure, the communists claimed that it was their war *per se*, which won the people over to *communism.* Yet the people's real desire was liberation from a government that they perceived as oppressive, and they would follow almost anybody who would take the lead of a liberation movement. Most of them had never before heard about Marx or Lenin, and what they knew about the events in Russia—if they cared at all—they learned from fanatical communists. And, of course, they could not even imagine that things would become worse afterward.

Significantly, the above-mentioned communist guerrillas typically had some kind of primitive tax system, and their political aim was, not to abolish the state apparatus they were fighting, but to take it over (which they did). However, all this changes nothing about the fact that even these guerrillas essentially relied on the voluntary cooperation of the population. A famous practitioner of guerrilla warfare emphasizes the crucial importance of backing by the population for the success of insurrectionist movements:

> The guerrilla fighter needs full help from the people of the area. This is an indispensable condition.

[44]Laqueur, *Guerrilla*, pp. 396 ff. Similarly, Martin van Creveld argued that patriotism, rather than national-socialist ideology, motivated the astounding performance of the German Wehrmacht in World War II. See Creveld, *Fighting Power* (London: Greenwood, 1982).

[45]See Hannah Arendt, *On Revolution* (New York: Viking Press, 1963).

> This is clearly seen by considering the case of bandit gangs that operate in a region. They have all the characteristics of a guerrilla army, homogeneity, respect for the leader, valor, knowledge of the ground, and, often, even good understanding of the tactics to be employed. The only thing missing is support of the people; and, inevitably, these gangs are captured and exterminated by the public force.[46]

Another astute observer, writing under the immediate impact of the communist guerrilla successes, forcefully underscores this statement:

> When we speak of the guerrilla fighter, we are speaking of the *political partisan*, an armed civilian whose principal weapon is not his rifle or his machete, but his relationship to the community, the nation, in which and for which he fights.[47]

> The population . . . is the key to the entire struggle. Indeed . . . it is the population which is doing the struggling. The guerrilla, who is of the people in a way which the government soldier cannot be (for if the régime were not alienated from the people, whence the revolution?), fights with the support of the non-combatant civilian populace: It is his camouflage, his quartermaster, his recruiting office, his communications network, and his efficient, all-seeing intelligence service.[48]

Many failures of secessionist movements highlight this crucial fact. Wherever the insurrectionists could not obtain the support of the larger population, they were never able to

[46]Guevara, *Guerrilla Warfare*, p. 17.

[47]Robert Taber, *The War of the Flea: A Study of Guerrilla Warfare: Theory and Practice* (New York: Lyle Stuart, 1965), p. 18.

[48]Ibid., p. 20.

remain independent for any considerable time. Such was the case, for example, with the medieval northern Italian cities which, having gained their independence from the Holy Roman Empire, at once started establishing their hegemony over the adjacent territories, thus alienating these populations. One reason for the Vendée's near-extinction in 1793 was the alienation of the militarily competent aristocracy from the militarily incompetent peasant population. The Greek guerrilla insurrection in 1946–49 failed because it alienated the population by conscription and raids on the villages. In 1958–61, the Algerian *Organisation d'Armée Secrète* alienated even the patriotic layers of the populations of France and Algeria with their terror acts. And more recent attempts to wage guerrilla warfare in Peru (Shining Path), Kurdistan (PKK), and several western European nations failed because the insurrectionists did not have any backing in the population; they were isolated terrorist groups, antagonizing the population as much as the government.[49]

Let us observe, however, that the secessionists are not the only ones to face the danger of alienating the population. It is precisely because the forces of the ruler are confronted by the very same problem that a secessionist movement does not have to fear the initial military supremacy of the ruling government. Large bombs, aircraft carriers, nuclear weapons, large units of

[49]See, for example, on the Italian cities: Creveld, *Rise and Decline of the State*, p. 108; on the Vendee: Ellis, *Short History of Guerrilla Warfare*, pp. 55 ff.; on the Greek guerrilla, Taber, *War of the Flea*, pp. 147 ff.; on the history of secessionist movements in the U.S.: Wesley A. Riddle, "When to Revolt," *Free Market* 13, no. 6 (1995); Thomas DiLorenzo, "Yankee Confederates: New England Secession Movements Prior to the War Between the States," in *Secession, State, and Liberty*, Gordon, ed.; Joseph R. Stromberg, "Republicanism, Federalism, and Secession in the South, 1790 to 1865," *Secession, State, and Liberty*, Gordon, ed.; and William J. Watkins, "Live Free or Separate," *Free Market* 16, no. 8 (1998); on the OAS: Schmitt, *Theorie des Partisanen*, pp. 65 ff.; on contemporary insurrectionists-turned terrorists: Ellis, *From the Barrel of a Gun.*

soldiers, etc., are certainly useful in confrontations with similarly organized enemy forces, but they are counterproductive when it comes to fighting guerrilla units. When a battalion of 500 soldiers shows up in a village to capture a single man, the inevitable result is to alienate the population. For whatever the deeds of the man, such action is a clear sign of either cowardice or distrust. Similarly, large bombs are never, and tanks very seldom, used in a discriminate way. Almost inevitably they hurt or kill innocent people, thus alienating these persons, and their friends and relatives.

The same result obtains when the ruling forces do not care to wage a fair war as our libertarian warriors do; that is, if they do not respect the property rights of the population and their enemies. The pledge to respect the property of friends and foes at first glance looks as an imprudent impediment of one's liberty of action. But it is not. Rather, it is the most powerful means to convey the support of the population. It is therefore no military disadvantage when our libertarian warriors pledge to respect the property of friends and foes. Quite to the contrary, it would be disastrous for the government not to quickly adopt the same strategy. Hence, the initial advantages of the ruling forces in terms of equipment and moral boundlessness are merely apparent ones. Soon they will have to fight the secessionists on almost equal terms.

These considerations also suggest a cautious use of mercenaries, that is, of foreign professional warriors. They lack emotional ties with the secessionists and do not share their ultimate goals. They have no bonds whatever with the nonsecessionist rest of the population and thus their intervention entails a high risk of alienation. At best, then, mercenaries are useless, for in the case that virtually all persons living in the secessionist territory seek secession, their help would not be necessary.

It is, then, a fundamental fact that warfare for the sake of controlling any given territory is inconceivable without voluntary cooperation between warriors and the rest of the population. This is why it perfectly suits the military needs of libertarian secessionist movements. It is no accident that "guerrilla

warfare has been the favorite tactic of separatist, minority movements fighting the central government" and that, although the process of de-colonization has worsened the prospects of guerrilla warfare, this is not so in the context of secession.[50]

In short, guerrilla warfare by its very nature is warfare based on the respect of private property and voluntary cooperation. It is private warfare short of the formation of large military units. This is so notwithstanding the fact that, historically, guerrilla warfare has commonly been intermingled with statist elements such as small-scale taxation.

Guerrilla warfare being essentially private warfare on a small scale, it follows that *the conditions for successful libertarian secession are the very same conditions that must be given for successful guerrilla warfare.* Libertarian secession presupposes that a great number of inhabitants of a territory desire to establish a private-property order and to rid themselves of the present rulers. These persons provide the guerrillas with the civil network that enables them to wage their war, and to wage it successfully. We can thus give a more specific description of the "majority" required by Boétie's Law: it must be a number of persons sufficient to sustain guerrilla warfare.

By distinct contrast, guerrilla warfare that merely seeks to overthrow the present state and to put another regime at its place ultimately contradicts itself. Sooner or later, it must replace volunteers by conscripts and donations by taxes—in short, voluntary support by compulsion. Clearly, it then will no longer be guerrilla warfare and, consequently, will lose all of its advantages.

Two conclusions can be drawn from this. First, the most important activity of a secessionist movement does not take place in armed battle, but in the battle of ideas. The secessionists have to persuade their fellows of the legitimacy and importance of their cause, thus making the idea of a private-property order generally accepted. Only if they win *this* battle, will they

[50]See Laqueur, *Guerrilla*, pp. 395, 409.

be able to build up libertarian guerrilla organizations that could eventually overthrow the armed forces of the government.

Second, therefore, there is *no need to rely on compulsory schemes* like taxation and conscription to sustain their war efforts. Either the secessionists have the necessary support of the population—then all compulsion would be superfluous and possibly counterproductive—or they do not have it, and then guerrilla warfare is no viable option for them at all and even compulsory measures could not help them.

Economic Efficiency of Private Warfare

We now have to deal with the question of how economically efficient spontaneously formed private war organizations, and even clandestine guerrilla professionals, are as compared to government troops, and whether they can be any match for the latter in purely military terms.[51]

Voluntary military organizations do respect private-property rights in all aspects of their activities. Their soldiers are either volunteers or hired, and their funds stem either from donations or from defense contracts with private individuals or organizations. By contrast, compulsory military organizations do, at least in some respect, rely on violations of private-property rights. In

[51]Our analysis is based on the works quoted in footnote 1, above. All other schools of economic thought have remained, as far as the production of security is concerned, entirely within the intellectual orbit of such classical works as Lorenz von Stein's *Die Lehre vom Heerwesen—als Theil des Staatswissenschaft* (Stuttgart: Cotta, 1872). and Johann von Bloch's *Der Krieg—der künftige Krieg in seiner technischen, volkswirtschaftlichen und politischen Bedeutung*, 6 vols. (Berlin: Puttkammer and Mühlbrecht, 1899). For a history of (traditional) economic thought on warfare, see Edmund Silberner, *La guerre dans la pensée économique—du xvi au xviii siècle* (Paris: Librairie du Recueil Sirey, 1939), and idem, *The Problem of War in Nineteenth Century Thought* (Princeton, N.J.: Princeton University Press, 1946).

particular, they might rely on conscription and/or compulsory finance through taxation.

Let us first consider the issue of ultimate control. Who makes the ultimate military decisions in private and in statist warfare? In private warfare, ultimate control rests with each private-property owner who is somehow involved in the production of defense. Since each soldier, donor, and customer controls his property, he can keep it invested in, or withdraw it from, the production process at any time. Most individuals do not have big stakes in the production of defense (or in any other process), yet the fact is that they do have *some* control over the process, and that this control is clearly circumscribed by their property. If they withdraw their patronage, if they refuse to work for the army or to finance it, they do curtail its production process in favor of nonmilitary ventures.

They may have various motives for withdrawing their support. A person might stop working as a soldier to earn a better living in a steel mill, or a capitalist might withdraw his credit to invest it in a more profitable shoe plant. But a soldier might also give notice, and a capitalist or donor might withdraw his funds because he does not trust the management of this military unit, or he might see no more task for the unit (for example, because there are presently no known enemies) and thus look for other productive challenges. The military might even disgust them now, etc. Yet whatever their motives are, in a private order, individuals can make their value judgments felt. Deciding how to use their time and property, they *do* have an impact on the whole structure of production.

In a private order, the consumption and investment decisions of all citizens rigidly connect and steadily equilibrate the production of defense with all other productions. And since investment decisions ultimately seek to satisfy consumption needs, it is the *citizens as consumers* who determine which defense services are produced by which technique and by which type of organization.

If consumers feel a more urgent need for military services, for example, because they apprehend the attack of a foreign

enemy, they will increase spending on military goods and services. Some will buy guns and cannons for themselves. Others will also join local or national militias, and still others will simply subscribe to the services of professional defense agencies. (For example, the standard contract of an airborne unit could provide that the unit combat enemy forces within a radius of *x* miles from the property of the patron.) As a consequence, the production of these defense goods and services becomes more profitable and will thus attract human and material resources that otherwise would have been invested in the production of apples, roofs, etc.

On the other hand, consumers reducing their demand of military services because they sense no immediate threat will reduce their spending on such services and thus make their production less profitable. The defense market will be adjusted accordingly: Its overall size will shrink (in favor of other markets), and its structure will adjust, too. Different forms of organizations will offer different types of goods and services that fit the reduced willingness of the consumers to spend on defense. For example, it is possible that the goods and services used by defense *professionals* (not only fighter jets, heavy armament, uniforms, but also staff positions of military planners and military theorists, etc.) will be more affected by a shrinking market than those used by amateur militias (small guns, small field cannons, mobile radar equipment, etc.).

In short, in a free society, the production of defense is always as perfectly adjusted to the needs of the citizens as is humanly possible. With consumers directing and balancing all productions through their spending decisions, the producers of defense services are in permanent competition with one another and with the producers of all other types of goods and services. This forces them to use their resources as diligently and as efficiently as possible. They simply cannot afford waste, since it would curtail their income and also the spending on their product.

Moreover, since in a free society, there would be various defense organizations competing for the same human and

material resources, these organizations would be embedded in a system of market prices. Hence, they could use the precious yardstick of economic calculation to select the most efficient technology and the most efficient form of military organization for any defense problem at hand.

By contrast, in statist warfare, ultimate military decisions are typically taken by the owners of the production facilities, that is, those who control the tanks, air fighters, ships, guns, bases, etc. This does not mean that statist military leaders are always to be found in the ranks of the generals. In most Western countries, for example, this is surely not the case, at least in peacetime. In these countries, the militarily relevant decisions are taken by high-ranking civil executives, such as the defense minister, the president of the republic, the prime minister, or the chancellor. Yet, in any case, statist production of defense means that those who run the state can impose their value judgments to the detriment of all other members of society. The state conscripts soldiers and confiscates property to finance its war. Whether the soldier wishes to work in the army is no longer a concern; he must serve. Whether the capitalist wishes to invest does not count; his money is confiscated.[52]

From an economic point of view, the overall result of this is a misallocation of resources. The state produces cannons and warships that take away the resources for the production of shoes, yogurt, books, and cello lessons—goods and services that the citizens would prefer to enjoy if they could use their property as they pleased.

This misallocation is bound to intensify in the course of time. Since statist producers of defense can increase their

[52]We do not here consider the case of war finance through inflation, which, in addition to the effects analyzed below, brings about a destruction of the monetary system and an intertemporal misallocation of factors of production. See on this point Mises, *Human Action*, pp. 787 ff., 821 ff., idem, *Nation, Staat, und Wirtschaft*, pp. 117 ff. See also Aaron Director, ed. *Defense, Controls, and Inflation* (Chicago: University of Chicago Press, 1952).

income by increasing military expenditures, the military now has a built-in tendency to expand its activities without regard for any other considerations. More human and material resources are invested in military undertakings than would be the case in a free society. The state-sponsored military organization will become artificially large, engaging in horizontal and vertical mergers. This means that the extent of defense markets and of the price system will shrink, so that economic calculation becomes increasingly impossible.[53] As a consequence, it becomes ever more difficult to rationally select appropriate defense technologies and forms of organization.

Even within the military industry itself, the natural balance between the various goods and services is disrupted. The possibility to ignore the needs of the consumers gives the producers the opportunity to produce goods that only *they* consider important. Since they are typically the chief executives of professional military organizations, they tend to favor the production of heavy armament and highly specialized manpower (for military staff and academies) over all other types of military products. They discourage competing nonprofessional defense organizations and often even seek to prohibit or reduce private gun ownership, etc.

Freed from the need to serve consumers as efficiently as possible, the producers of defense services now have a bigger margin for wasteful behavior. The institution of conscription has particularly negative effects since it encourages military leaders to expose their troops to unnecessary danger.

Not surprisingly, compulsory schemes for the production of defense are the same economic debacle that they are in all other fields. Let us therefore turn now to the question of

[53]See Mises, *Human Action*, pp. 694 ff. On the importance of a free-market supply of military goods, see the pioneering work by Mises, *Nation, Staat und Wirtschaft*, pp. 117 ff., and his disciple Stefan Possony, *Die Wehrwirtschaft des totalen Krieges* (Vienna: Gerold, 1938).

whether, at least in purely military terms, regular government troops are superior to spontaneously formed, private war organizations. For if this were the case, the prospects for secessionist movements would be dismal despite all other advantages.

Military Effectiveness of Private Warfare

In our examination of the comparative military effectiveness of voluntary versus compulsory organizations we can safely neglect all problems of military technique, that is, everything that relates to tactics, strategy, military aspects of organization, etc. We are here exclusively concerned about the impact of any military unit's *political* organization on its military performance.

Let us first consider which type of persons will occupy executive positions in the two political regimes. Again, we can neglect common points and focus on the differences stemming from their different political nature. A typical common point is, for example, that in both regimes, the military will attract a disproportionately large number of patriotic persons. By contrast, as we shall see, the crucial difference is that compulsory military agencies, like all compulsory organizations, are subject to the pernicious influence of bureaucratization.[54]

In purely voluntary regimes, military leaders are selected exclusively for their military expertise and efficiency. The case is clearest in militias, which commonly elect their leaders. Peacetime militias might, like many other clubs, elect particularly sociable leaders. Yet in times of war, there will surely be a dramatic change, since the election now becomes a matter of life and death. Each single militia member then has an interest to make sure that the most able person is in the lead. It is even certain that members would quit a militia if they sensed that the leadership was incapable.

[54]On the following, see the general remarks in Ludwig von Mises, *Bureaucracy* (New Haven, Conn.: Yale University Press, 1944).

Things are basically the same in professional defense agencies operating on a voluntary basis. The owner of these enterprises has a personal interest in hiring only the most able persons for executive positions. If he fails to identify these persons, he runs the risk that other companies will hire them and outcompete him on the market. And he is also threatened by the prospect that the other soldiers that he hired will give notice, since they too are unwilling to risk their lives under incompetent military leadership.

These mechanisms are, at least partially, destroyed, by the impact of compulsion. Conscription by its very nature prevents soldiers from quitting when executive ranks are filled with incompetent personnel. Conscripts are also notoriously unmotivated, being temporary slaves. In confrontation with highly motivated private troops, be they ever so few, this represents a huge competitive disadvantage.

The effects of compulsory funding are similarly devastating. It reduces the necessity for the military agencies to satisfy customer needs. As a consequence, as we have seen, the various military executives can start satisfying their *own* needs, both in respect to the services they produce and in respect to the selection of personnel.

It is important to keep in mind that there is no such thing as "a defense service" or "a defense good." All goods and services are heterogeneous concrete goods, like "one hour of guarding property X at location Y" or "fortification of hill A against possible assaults by tank divisions of the type B, or by infantry of type C." In a free society, all consumers involved decide which concrete defense service shall be produced. By contrast, compulsory funding enables the producers to ignore the consumption wishes of their fellows and to place undue emphasis on their own satisfaction. Rather than fortifying hill A, they fortify hill H, because it is not so windy there or because it better protects the ranch of the general's nephew. Rather than guarding the private property of the civil population, they spend all their time guarding their own bases. Rather than protecting a

single house, they close all surrounding streets and shut down the city, etc.

Moreover, rather than hiring the most capable personnel, they start hiring the fellows who know the best jokes, or the children of their schoolmates, or people who share their political, sexual, religious, and other preferences. Or they might hire particularly ruthless individuals, who despise common morality. Also, rather than organizing the defense units in the most militarily efficient way, they acquiesce to other considerations. For example, the recent admission to the U.S. military of females and homosexual males does not seem to be based on military, but political, expediency.

The only way to prevent such excesses is to issue specific directives to all executives on how to use their resources, and to check compliance with these directives by written reports, inspection teams, etc. In short, one has to subject the military to a bureaucratic apparatus and regulation. Military leaders are told what to do when and where, and hiring decisions are made dependent on general standards, that is, on criteria that do not take account of the individual requirements of particular times and places.

At least as far as the selection of personnel is concerned, however, such reforms will be doomed to failure. There is only one way to test the ability of a person: Let him do the job and see whether he can do it. A person hired by a voluntary defense organization will soon have shown whether he is suited for his position because such an organization constantly has to prove its military effectiveness. Only if it is sufficiently effective, will it continue to be patronized. Yet in compulsory organizations, all the tests take place in an artificial environment. For example, one cannot tell whether a soldier or officer is too ruthless or not ruthless enough, or whether he accomplished his task with a sufficient amount of accuracy. For his ruthlessness and the accuracy of his work cannot be judged without standard. And in compulsory organizations, this very standard is arbitrary to a larger degree than in voluntary agencies.

Thus we see that private defense agencies, while enjoying all virtues of compulsory schemes, do not suffer from certain specific disadvantages of the latter. In particular, they are likely to attract and select more capable personnel, and they will react to the military requirements of any given situation in a far more flexible way.

However, so far we have only dealt with small private units, as they are typical in guerrilla warfare. Our foregoing considerations about economic and military efficiency would thus merely imply that, given equally small units, the private secessionist forces would have a comparative advantage over the government troops. Yet as a matter of fact, government troops are typically much larger in size. Are our small private units able to confront these large and concentrated forces of the government's army?

Before we pursue this question any further, let us observe that such a confrontation might not be necessary in the first place. The purpose of the secession is to break the compulsory ties between the secessionists and a government which they no longer accept. It concerns *only* the secessionists. It does not concern those who wish to continue to be ruled and protected by the government. Therefore, it is at least conceivable that, as a result of a successful secession, the government troops remain in the seceding lands, to protect the loyal subjects. The territory would then no longer be politically homogeneous, but sprinkled in the colors of the secession and of the government. There is no reason to assume that such a setting would be inherently unstable and plagued by violence,[55] so that we can go on with our original question.

Thus, suppose that all inhabitants of a given territory wanted to secede, but that the government troops refused to quit the country. Suppose furthermore that the troops could not rightfully claim any piece of land in the territory as their own. They would then clearly be aggressors, and the inhabitants

[55]See Rothbard, *For a New Liberty*, chap. 12.

would be entitled to expel them. Yet, *how* can the secessionists do this? Can they build an army of comparable size to beat the enemy in the open field?

Again, we first should raise the question of whether the secessionists need to build up a big army in the first place. We have already mentioned that our libertarian partisans enjoy the advantage of operating on the basis of the same principle of respect for and defense of private property. This is a powerful organizing principle, which gives a common direction to all their scattered individual actions and which makes sure that they hit the right target in all instances. Thus, to a very large extent, they can do without a common agency. They do not need the unity of command, since they enjoy the unity of principle.

We have pointed out the benefits and limits of this stage of the secessionist struggle. Decentralized organization in small units can be sufficient to make the costs of ruling unbearably high. Yet in most cases, it will not be sufficient to rid the country of the government troops and, thus, of the tax men.

The government troops must be beaten if they do not go on their own. Can they be beaten? This depends essentially on whether the government can concentrate enough forces in the seceding territories to beat any secessionist army. If it can, the formation of larger units will be futile, and the secessionists are best advised to continue their guerrilla struggle until better opportunities arise.[56] If the government cannot mobilize

[56]Thus, it might be that the Southern United States lost the War of Secession because it relied on conventional warfare, whereas it would have been better advised to choose a guerrilla strategy. See Robert L. Kerby, "Why the Confederacy Lost," *Review of Politics* 35, no. 3 (1973); Grady McWhiney, "Conservatism and the Military," *Continuity* 4/5 (1982); and Richard E. Beringer, et al., *Why the South Lost the Civil War* (Athens: University of Georgia Press, 1986), esp. pp. 340–47. I am indebted to Jeffrey Tucker and Joseph Stromberg for bringing this case to my attention. History seems to abound with similar cases. For example, according to the Prussian officer Colmar

enough forces, then the formation of larger secessionist units is advisable. This can be effectuated under the three forms of concentration known from civil business: (1) growth, (2) merger, and (3) joint venture.

The possibility to form big private armies through growth and merger is amply illustrated by history. In fact, all armies are in a way "private," since they are controlled by one agency. And during most of history, armies were owned by individual human beings, the warlords, who personally led their forces on the battlefield. Famous owner-warlords of the past include Alexander the Great, Caesar, Attila, Otto the Great, Wallenstein, and Frederick the Great.

Yet even short of merger and growth, history has demonstrated again and again that, in times of dire crisis, private defense organizations have formed joint ventures to meet great threats. At crucial junctures in the history of Western civilization, such independent troops have spontaneously joined forces to confront overwhelming enemies. Examples are the battles against the Huns in 451 A.D., against the Saracens in 732 A.D., against the Magyars in 955 A.D., against the Turks in 1683, against Napoleon in 1813, and against Hitler in 1941–45. Even secessionist movements have successfully practiced military joint ventures, for example, in the case of the Netherlands and Switzerland.

Freiherr von der Goltz (*Leon Gambetta und seine Armeen* [Berlin: Schneider, 1877], p. 36), republican France lost the war of 1870–71 against the German armies, which had already defeated the French emperor, because the republican leader, Gambetta, insisted on a "great war." Yet a guerrilla war would have been far more dangerous for the German armies. Another example is the 1935–36 war in which Mussolini's Italy subdued Abessinia (Ethiopia today); see Schmitt, *Theorie des Partisanen*, pp. 42 f. Rothbard (*Revolutionary War, 1775–1784*, pp. 23 ff.) argues that the seceding American colonies won their war of secession from Great Britain in spite of waging a conventional rather than a guerrilla war.

To sum up, private defense organizations are *ceteris paribus* more effective than compulsory organizations. Successful secessionist warfare does not necessarily require the expulsion of the government troops, but it might lead to different, equally satisfying settings. Expulsion of the enemy requires a concentration of troops of similar size, which in turn can be accomplished in ways common to other forms of business.

Conclusion

We have seen that secession is the only type of political reform that does not by its very nature contradict the goal of establishing a purely private order. We have furthermore emphasized the harmony between libertarian secession (which essentially is resistance by denying support to any type of ruler) and private warfare (which is property-respecting resistance by using force against the rulers). Successful libertarian secession presupposes that a substantial majority of the population has adopted the secessionist agenda. The very same condition must be given for individuals and spontaneously emerging troops to wage a successful war on a purely voluntary basis. If they are given, the libertarian secessionists can take up any enemy, enjoying superior efficiency and military effectiveness.

On the one hand, we thus have to reemphasize the traditional libertarian stress on education as a means to prepare the advent of a free society. On the other hand, one should not expect the establishment of a free society to be a singular event covering at once the entire territory formerly controlled by the rulers. Rather, secession is most likely to be a gradual and spontaneous process that involves various subterritories, and even various strata of the population, at different points of time.

These results might not satisfy the aesthetic predilections of those who abhor political maps sprinkled in different colors. But it will help those who strive for liberty long before their fellows are ripe for it, because it sets their minds free to care about what is attainable here and now.

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From the Introduction by Hans-Hermann Hoppe:

More than 200 years after the Declaration of Independence, it seems appropriate to raise the question whether governments have in fact done what they were designed to do, or if experience or theory has provided us with grounds to consider other possibly more effective guards for our future security. The present volume aims to provide an answer to this fundamental question. . . .

Though the implications of the arguments made in this volume are radical and sweeping, the principles are quite simple at root. And yet, given the continued rise of the national-security state in our own time, the future of liberty itself may hinge on our willingness to push these principles to their fullest extent.

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